

The Practice of Good Governance in the Two Cities of Negros Oriental, Philippines

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ABSTRACT. This descriptive comparative research aimed to assess and compare how the cities of Bais and Dumaguete in Negros Oriental implemented the projects made possible through the Seal of Good Local Governance Award. The key methods used were in-depth interviews and focus group discussions with the local government officials and the project beneficiaries. The performance status showed the core dimensions of good local governance. It was found that the two cities used the Performance Challenge Fund to design projects for their respective coastal *barangays*. These became an opportunity for the two cities to improve and protect the lives of the people in the community. Thus, the local government units played pivotal roles in realizing development goals in their respective areas. It is recommended to develop a strategic and sustainable plan as well as comprehensive social welfare programs that could stimulate a more efficient delivery of social services. The plan must also increase the capacity of government workers, set aside political differences among local officials, and encourage participation by various stakeholders.

Keywords: *Good governance, local governance, seal of good local governance award*

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INTRODUCTION

Theory and Practice of Good Governance

The success of every government's program or policy depends on the quality of governance. The notion of governance is always connected with three interrelated spheres, namely: democracy, transparency, and accountability. Bevir (2012) defined governance as the process of governing, whether undertaken by a government, market, or network; whether over a family, tribe, formal or informal organization, or territory; or whether through laws, norms, power, or language. The World Bank (2013) defines governance as the manner in which power is exercised in the management of a country's economic and social resources for development. It is commonly understood that governance is the responsibility of the government as mandated by law to provide basic social services and promote general welfare of its people. The scholarly work of Pomeranz & Stedman (2020) emphasized that when it comes to diverse governance practices, effective governance provides beneficial normative direction.

Good governance is essential in every decision process to manage government resources properly and to address programs efficiently for the interest and welfare of its citizens. In *Reinventing Government*, Brillantes (2003) cited that governance is the process by which problems are solved and society's needs are met collectively. Government is the instrument used. Local institutions demand fuller independence or autonomy from the national government to collectively respond to societal needs. However, local government units (LGUs) make a meaningful situation in the grassroots level making effective and assertive leadership an essential requisite in bringing good governance. Brillantes (2003) also explained how governance and devolution of central powers to local government could result in good governance. Hence, local governments can do better, differently, and uniquely given the adequate authorities bestowed upon them.

Promoting the general welfare is an essential and important task of every LGU. The bottomline for every LGU is the welfare and satisfaction of its people. According to Brown et al. (1966), the general public expects government to seek what is variably referred to as the public interest and the general welfare. The devolution of powers from the national government to LGUs allows local officials to perform duties delegated to them properly. As Preschle and Tayao (2008) claimed that the United Nations considers local governments as political subdivisions

of a nation or state. This description suggests subordination where local government performs functions delegated to it by the central government. As such, the local government acts as the local outlet of the national government that implements policies and programs formulated by the central government. Local government derives its power from the central government and could undertake measures only when consistent with national policies and programs. Being the frontline of governance, only the LGU can determine its own programs and policies suitable to its environment. As Preschle and Tayao (2008, p. 2) write:

In this sense, the best delineation of functions between the national and local government is in the nature of policy options. The perspective of the national government is broader and, thus, is best situated to set general policy directions. Local conditions are distinct, and so is the nature of local authority.

Through their local policy, LGUs are tasked to discharge their duties as mandated by the Local Government Code of 1991 and to contemplate how to resolve the problems in their locality. They interface with the national government through the Department of the Interior and Local Government (DILG) in the context of developing a meaningful and effective partnership in economic development.

Preschle and Tayao (2008) stated that good governance can only be achieved with substantial local governance. Government becomes governance only when government at both the national and local levels work as a single governance mechanism. Nevertheless, promoting good governance means advancing local development such as poverty alleviation; curtailing corruption, preservation, and protection of the environment; and upholding the rule of law and the protection and preservation of civil liberties.

Good local governance requires collaboration between local officials and their respective local constituents to be more empowered and proactively participate in every activity of the government. Hence, Preschle and Tayao (2008) concluded that good governance is rooted on local decision-making. Preschle and Tayao (2008) discussed this maxim that the significant role of local governments is to potentially pick up development in the countryside, maximize local resources, and raise revenues given the right leadership. Therefore, good governance is possible with local governance if it is always characterized by transparency, accountability, and participation in every LGU.

Brillantes (2003) also stipulated the importance of best practices at the local level. He said that documenting local innovations and best practices has become one of the best approaches in the overall effort to promote and advocate good governance. The reason for this is there is no better than success itself, and that innovations and good practices inspire others to do the same. He added that a critical imperative for innovation and creativity is the right policy environment. Several accepted theories and various studies provide a strong rationale for good governance. Likewise, the challenge of the national government is to enjoin all LGUs to formulate strategies, programs, and projects consistent with the national government's development goals.

The Seal of Good Local Governance

After the successful run of the Seal of Good Housekeeping, former DILG Secretary Mar Roxas launched the Seal of Good Local Governance (SGLG). The award was introduced to step up the practice of good governance across the country. The SGLG's predecessor, the Seal of Good Housekeeping, only measures the levels of compliance to the Department's Full Disclosure Policy, particularly in the areas of budget, revenues, and procurement. The DILG notes 1,372 LGUs (84% of the total number of LGUs) have already met the minimum requirements of good housekeeping, which attests to their readiness in observing good governance (DILG, 2014).

Additionally, the program also encourages LGUs to be friendly to investors and protect their constituents from various forms of threats to life and security and safeguard the integrity of the environment. For an LGU to become an SGLG recipient, it needs to pass all three core assessment areas: 1) good financial housekeeping, 2) social protection, and 3) disaster preparedness; and at least one from the essential assessment areas, such as business-friendliness and competitiveness, peace and order, and environmental management. Aside from being SGLG recipients, local governments that meet these criteria will also be entitled to a package of incentives, such as the Performance Challenge Fund (PCF), and as mentioned earlier, will also become eligible to access other national performance-based programs (DILG, 2014).

The LGUs that fail to meet the SGLG criteria will undergo a capacity development intervention through the Local Government Academy of the DILG. In 2014, the DILG launched the SGLG as an emblem of sincerity and honesty in public service performance. Furthermore, SGLG symbolizes excellence, dedication, and competence among LGUs.

The SGLG is an essential award granted by the national government through the DILG to LGUs that show exemplary performance (DILG, 2014).

In the Central Visayas (Region VII), only the LGUs of Dumaguete City and Bais City have successfully met the prescribed criteria set under the city category award in 2015. The two cities received Php 5 million each from the PCF and acquired other performance incentive programs. The PCF encourages all its recipients to align their local development investment plans with national development programs and priorities to contribute to poverty reduction efforts, thereby helping achieve the Millennium Development Goals. Prior to receiving the SGLG award, the two LGUs have already been recipients of the *Galing Pook* Award because of their exemplary performance in environmental resource management.

This study investigated the performance of the two LGUs with respect to the SGLG criteria and the projects they have undertaken using the Php 5 million incentive. Specifically, this study asked the following research questions: Are the projects using the PCF of the two LGUs aligned with the national development goals? Are there any other opportunities available after Bais City and Dumaguete City received the award? Do their respective projects benefit their constituents, particularly the poor? Do their projects have an impact on local economic development? Are the two LGUs able to enhance their capacity and resources for poverty reduction, provide a system to improve the economic well-being of their constituents, and assess the opportunities available as a result of the SGLG award and the benefits the citizens enjoy from good governance?

Their SGLG award symbolizes their journey toward good local governance, especially with respect to how they uphold the standards of transparency, integrity, and excellence in delivering basic social services to the people. Hence, this study sought to compare how the cities of Bais and Dumaguete implemented programs and projects funded through the PCF in 2015. It also looked into the opportunities that were made available to these cities that benefitted the local constituencies.

Studying local governance is important in any democratic state, especially with respect to how LGUs provide basic local services to their constituents and ensure people's participation. The Local Government Code of 1991 has given LGUs significant local fiscal autonomy through their greater share of revenues and public expenditures. This autonomy has enabled them to pursue innovative projects and employ unique ways to address problems in their communities.

This study may prove useful for researchers looking into understanding local governance, in particular, the best practices at the local level. It could also serve as a future reference for researchers doing studies on the DILG's SGLG award.

The following key areas for both cities were investigated in this study, namely: 1) performance status with respect to good financial housekeeping, disaster preparedness, social protection, peace and order, environmental management, and business friendliness and competitiveness; 2) programs undertaken pertaining to the use of the PCF; 3) new opportunities upon receiving the SGLG award; and 4) benefits of good governance.

Conceptual Framework

The conceptual framework presents the general context and essence of the whole study. The framework shows the process on how the two LGUs became recipients of SGLG in 2015 (Figure 1).

This study assessed the performance status of the two LGUs in terms of their activities in their practice of good local governance in the following areas: good financial housekeeping, disaster preparedness, social protection for the basic sector, business-friendliness and competitiveness, environmental management, and law and order and public safety as benefits of good governance.

The two aforementioned LGUs received PhP 5 million pesos each from DILG through its PCF as incentive for observing the fundamentals of good governance, thus, meeting the requirements of the SGLG award. The local development projects undertaken by the LGU awardees using the fund were consistent with the priority thrusts of the national government and in accordance with its guiding principles.

The target beneficiaries of the projects were also involved. The advocacy of the LGUs to improve their overall performance, accelerate local inclusive development, sustain the provision of incentives of LGUs, foster cooperation among stakeholders and amplify the civil society organizations were also looked into. The PCF also had its counterpart funding for high-impact capital investment projects in the Annual Investment Program (AIP) and funded 20% of the local development fund consistent with national goals and priorities. The DILG appraisal and monitoring of LGU projects were aligned with the achievement of the following priorities: 1) the attainment of the United Nations Millennium

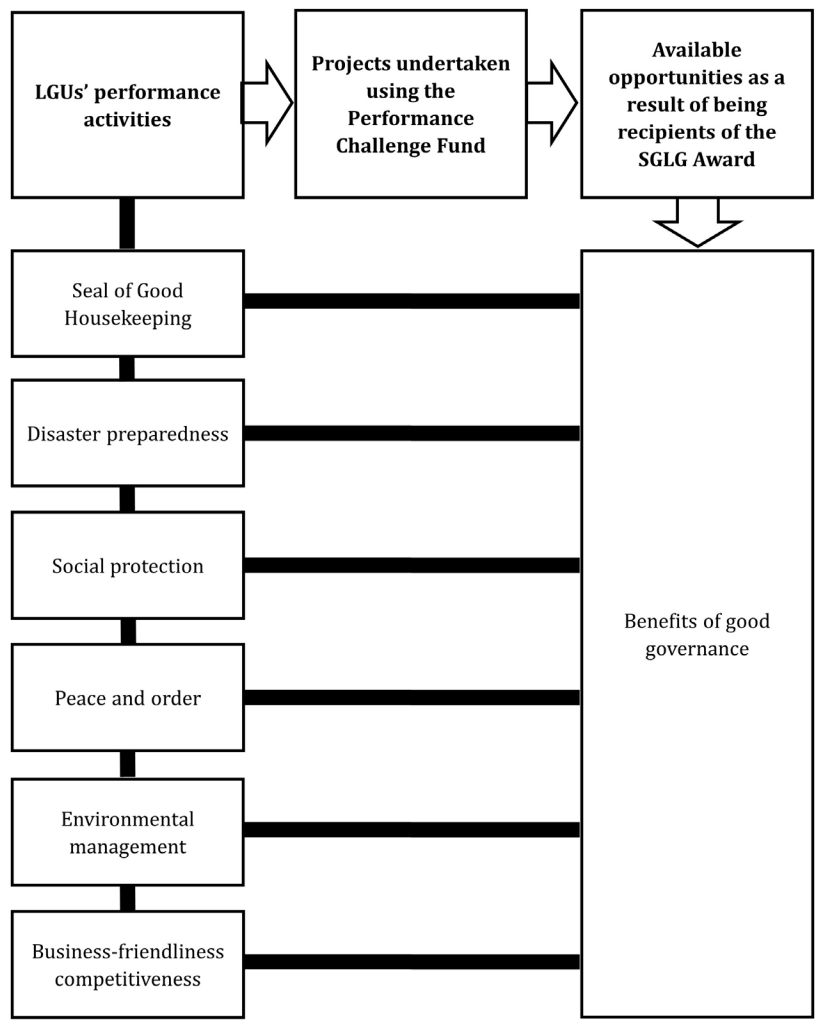


Figure 1: Conceptual framework of the study

Development Goals¹ (e.g., school buildings, rural health units and health centers, birthing facilities, water and sanitation system, farm-to-market roads, and housing and settlements); 2) local economic development (e.g., local roads and bridges, tourism facilities, irrigation systems, post-harvest facilities, cold storage facilities, ports and wharves, and other economic infrastructures and growth-enhancing projects such as market, slaughterhouses, and water supply system); and 3) adaptation to climate change and disaster preparedness (e.g., flood control, reforestation, solid

¹The United Nations Millennium Development Goals were considered as factors because the priorities were set before 2015.

waste management facilities, storm drainage, dikes and related flood protection measures, slope protection, evacuation centers, rainwater collector, early warning devices, and rescue equipment). This requires LGUs to be accountable for governance, transparent governance, and efficient frontline service performance. Opportunities made available as a result of receiving the SGLG award were also looked into their benefits to further promote good governance.

METHODOLOGY

The study employed the descriptive-comparative research design. Each LGU had a focus group discussion (FGD) with a total of two FGDs conducted. The FGD participants from Dumaguete City were from the coastal *barangays* (villages) of Piapi and Bantayan while respondents from Bais City were local farmers and vendors. All participants were beneficiaries of the projects funded through the PCF. A research assistant and the concerned local officials of the two LGUs helped in doing the FGDs.

Key informant interviews were also conducted with the department heads of the two LGUs, which include the city mayor, city administrator, accountant, treasurer, assessor, city engineer, city population officer, social welfare and development officer, information officer, budget officer, head of the general services offices, agriculture officer, health officer, planning and development officer, legal officer, and city disaster risk reduction and management officer. Overall, there were 10 key informants from each city.

Primary data were gathered using a questionnaire that was used in both the key informant interviews and the FGDs. Permissions were sought to access documents from the two LGUs. The FGD guide was developed by the researcher. It went through checking by research mentors from the Silliman University Graduate Programs, and revisions were done based on their comments.

The researcher was granted ethical clearance from the Silliman University Research and Ethics Committee. Permissions were sought from the two local chief executives of the two cities regarding the conduct of the research. The researcher strictly observed rightful research procedures, such as presenting an informed consent form to the research participants informing them of the purpose and nature of the study. The strictest level of confidentiality is observed in reporting the findings of this research.

RESULTS AND DISCUSSION

The Performance Status

Seal of Good Financial Housekeeping. The Seal of Good Financial Housekeeping, formerly the Seal of Good Housekeeping, displayed all financial-related documents of the succeeding year following the accounting and auditing standards, rules, and regulations, i.e., with an unqualified or qualified opinion by the Commission on Audit. An unqualified opinion is the conclusion drawn by an auditor that the financial statements of an institution are properly and accurately disclosed. It was found that the requirements set under the full-disclosure policy of the local budget and finances and the bids and public offerings, e.g., annual budget, statement of receipts and expenditures, annual procurement plan or procurement list, and bid results on civil works, were complied with by both cities. Goods and services and consulting services requirements, among others, were also met (DILG, 2015).

The Commission on Audit gave the two cities favorable audit opinions based on the fairness of their 2014 financial statements. All government entities, including LGUs, are mandated by law to prepare financial documents prescribed by the Commission on Audit. Both LGUs also complied with and completed the posting of financial documents, bids, and awards in three conspicuous places, such as Area 1 (Bais and Dumaguete city halls), Area 2 (Bais and Dumaguete public markets), and Area 3 (public parks). The two LGUs adhered to the full-disclosure policy, which requires LGUs to fully disclose particular financial transactions to show how funds were managed, disbursed, and used.

Disaster Preparedness. The two cities were not recipients of the National Gawad KALASAG (*Kalamidad at Sakuna Labanan, Sariling Galing ang Kaligtasan*) award in the previous year of assessment. The award is given by the National Disaster Risk Reduction and Management Council in recognition of extraordinary initiatives and innovations to improve the standard of disaster preparedness and management. They, however, met other major criteria under disaster preparedness such as awareness of hazard, e.g., flood, landslide, storm surge, and tsunami, which also indicated the consciousness of the LGU to potential threats, either natural or man-made. Risk and vulnerability assessment was also conducted, and all data and information were integrated or mainstreamed into plans. They complied with the minimum standards on disaster preparedness, particularly on the establishment and composition of the Local Disaster Risk Reduction and Management Council pursuant to Rule

5 Sec. 2 and 3 of the Implementing Rules and Regulations of the Republic Act 10121, an act of strengthening the Philippine disaster risk reduction and management system.

Another indicator was the existence and functions of the Local Disaster Risk Reduction and Management Office, which spearheaded the development and implementation of programs or strategies relative to disaster-related concerns pursuant to Sec. 12 of RA 10121 and Joint Memorandum Circular No. 2014-1 reimplementing guidelines for the establishment of Local Disaster Risk Reduction and Management offices or *Barangay* Disaster Risk Reduction and Management Committee in LGUs. This availability was supported by plans and documents as the two cities integrated disaster risk reduction and related measures based on the comprehensive land use planning, local disaster risk reduction and management plan, contingency plan, zoning ordinance, and community-based disaster risk reduction management plan. These legally mandated local plans helped the two cities identify, strategize, and allocate resources in alignment with the disaster risk reduction and management (City Local Government Officer, Local Disaster Risk Reduction and Management Offices of Bais City and Dumaguete City, November 2016).

The existence of an early warning system indicated that the two LGUs complied with Sec. 12 of RA 10121 that mandates all LGUs through their Local Disaster Risk Reduction and Management office to operate a multi-hazard early warning system for disaster risk reduction to provide accurate and timely advice to national and local emergency response organizations and the general public. The early warning system, stated in Sec. 3 of RA 10121, is defined as a set of capacities needed to generate and disseminate timely and meaningful warning to enable individuals, communities, and organizations threatened by a hazard to prepare and act appropriately and, in sufficient time, to reduce the possibility of harm or loss. They also established an evacuation center management following a 2013 joint memorandum by the Department of Social Welfare and Development, DILG, Department of Health, and Department of Education. The joint memorandum provides guidelines on evacuation center coordination and management to guide them on determining opportunities to coordinate, collaborate, and cooperate with other stakeholders. Evacuation centers of the two cities are located primarily in public schools, covered courts, *barangay*/community halls, camping areas, collective centers, and multi-purpose centers. The Local Disaster Risk Reduction and Management offices of Bais City and Dumaguete City passed the criterion pertaining to organizing, equipping, and training search and rescue and emergency response teams. The office of the local

chief executives of the two cities also provided support for the continuing training of staff members/rescuers to improve the competence of staff members in civil defense and disaster and risk reduction management.

The Local Disaster Risk Reduction and Management offices have their own motorized vehicles capable of carrying and transporting people from one place to another in times of disaster. The motorized vehicles are equipped with first aid kits with adhesive strips, medical tape, conforming bandage, triangular bandage, wound dressing, swabs antiseptic, scissors, tweezers, safety pin, disposable gloves, plastic bag, and first aid instruction booklet. The Local Disaster Risk Reduction and Management in a joint program with the local Department of Health and Department of Social Welfare and Development has an emergency medical kit or survival kit, which contains food, water, flashlight, battery, radio, medications, medical items, and other signaling devices. Both cities also have a system of prepositioning goods and resources that facilitates the deployment and management of predetermined goods and resources even before the onset of disasters.

The two cities indicated their level of readiness with the ability to provide for immediate essential needs, such as relief goods, medical support, and medicines through the availability of standard operating procedures for the incident command system, local disaster risk reduction management operations center, and preemptive and forced evacuation. These disaster risk and management-related mechanisms adopted by the two LGUs ensure effective coordination and monitoring of actions in the event of disasters. The incident command system is a temporary organization and an on-scene disaster response that would be activated in times of disasters or emergencies pursuant to the National Disaster Risk Reduction and Management Council Memorandum Circular No. 04, series of 2012.

The establishment of a local disaster risk reduction and management operation center in Bais City and Dumaguete City was pursuant to Rule 6 Sec. 4, para. 24 of the Implementing Rules and Regulations of RA 10121. Based on the Disaster Preparedness Minimum Standards, the operation center should function 24/7 with three shifts, have a dedicated officer, and develop and implement standard operating procedures and a contingency plan. Both cities implement preemptive and forced evacuation during disaster or emergency where there is a high threat of loss of lives within an identified area pursuant to DILG Memorandum Circular No. 2012-35.

Social Protection. The cities of Dumaguete and Bais showed their capability to advance the welfare and well-being of the vulnerable sectors, such as children, women, persons with disabilities, and senior citizens. An example of this is their mechanism to handle cases filed through the Violence Against Women and Children's desk. They have a system where cases are filed in *barangays* relative to domestic violence among women and children as stipulated in RA 9262 (Anti-Violence Against Women and their Children Act of 2004) and RA 9710 (Magna Carta of Women). The cities' social protection mechanisms through their competent and licensed city social welfare and development officer and Local Council of Women demonstrated the step-by-step process of handling cases from filing to referral to crafting a resolution and other assistance provided to the victims. Their health centers are PhilHealth-accredited and are capable of delivering particular health services, including maternal care package, primary care benefits, and TB-directly observed treatment short course.

The local legislative body of the two cities strengthened the practice of people's participation in local governance by recognizing the role of civil society organizations and through representation in the Local Development Council and other local special bodies such as the Local Peace and Order Council, Local Health Board, and Local School Board. The civil society organization representatives come from different sectors, such as persons with disabilities, women and children, rural farmers and fishers, youth, and senior citizens, all organized and accredited by the *Sangguniang Panlungsod* (local legislative council). Through their representation and participation in local governance, both cities implemented the social protection-related programs for sectoral concern. These programs were initiatives of the two local governments and the civil society organizations to help promote and support the welfare and well-being of the children and youth, women, persons with disabilities, senior citizens, family, and the community as a whole. These various programs provided services to promote, safeguard, and support their core rights to survival, development, protection, and participation.

The social protection-related programs for sectoral concerns included the following: foster care services, educational assistance program, livelihood assistance program, residential care facility for women, disability prevention service, and training and employment support services. The programs were set and placed exclusively for the children and youth, women, persons with disabilities, senior citizens, family and community, and internally displaced persons and communities. The presence of designated express lanes for persons with

disabilities, senior citizens, and pregnant women for frontline services helped provide prompt access to frontline services in any government transactions pursuant to RA 9442, RA 9994, and RA 9710.

The two cities also showed their structural features, which facilitate accessibility and mobility of persons with disabilities. This special feature is generally reserved for a special group of people with distinct physical, social, economic, and cultural conditions or difficulties. The two LGUs have also designated express lanes and posted priority signages for persons with disabilities, senior citizens, and pregnant women in the areas of frontline services, such as in the Business Processing and Licensing Office, Office of the Civil Registry, and main health facility. They also passed the standards relating to the provision of ramp with handrails at the entrance or exit through the Simplified Gradient Finder as one of the requirements of the SGLG award.

Business Friendliness and Competitiveness. The local income of Dumaguete City and Bais City grew annually. These cities have been recognized for their efforts in enhancing their competitiveness and support for local economic and business investment promotion. In the case of Bais City, however, it did not meet the following criteria: 1) being the finalist of the Philippine Chamber of Commerce and Industry's Most Business-Friendly Award or ranked among the top 50 of the competitiveness index as assessed by the National Competitiveness Council, or Local Economic Investment Promotion; and 2) compliance with the standards of Simplified Business Processing and Licensing System.

Likewise, Dumaguete City did not meet the criterion on Philippine Chamber of Commerce and Industry's Most Business-Friendly Award or ranked 50th in the competitiveness index. This award recognizes exceptional and substantial efforts and practices of LGUs in promoting and enticing business, investment, and employment through its services, facilities or infrastructure, and innovations as assessed by the National Competitiveness Council, and the Philippine Chamber of Commerce. The National Competitiveness Council has identified only 50 cities (25 highly urbanized cities and 25 Independent Component Cities) and 50 municipalities (25 first-class to second-class municipalities and 25 third-class to sixth-class municipalities) nationwide that have systems in place to meeting the Most Business-Friendly Award. However, Dumaguete City had a local economic investment plan that demonstrated local governance values that promote efforts to ensure local economic growth and attract investments.

The two cities have their respective citizen's charter for securing permits for new business and business renewal. The charter is a tool that facilitates the delivery of quality and prompt services to citizens with clearly defined activities and specified standards, quality, timeframe, and responsible officers. The establishment of a citizen's charter is pursuant to the Anti-Red Tape Authority Law, DILG Memorandum Circular No. 2010-113, and DILG-Department of Trade and Industry Joint Memorandum Circular No. 1, s. 2010. The two cities also have one-stop shop facilities to facilitate access for multiple services by various stakeholders. These facilities are based on a joint memorandum circular by DILG and the Department of Trade and Industry. The business one-stop shop has a designated full-time staff, offers simplified business process and shortened processing time, and is equipped with communication devices.

Peace and Order. The Peace and Order Councils of both cities convened at least once every quarter. The Local Peace and Order Council meetings were designed to ensure coordinated efforts among LGUs, civil society, private sector, academe, and citizenry to prevent crimes. The LGUs also adopted a Local Anti-Criminality Action Plan or Integrated Area Community Public Safety Plan/Local Peace and Order and Public Safety Plan. The LGUs have provided logistical support to the local Philippine National Police stations in terms of ammunition, communication, vehicles, and other police station supplies; and supported the organization of the *Barangay Tanod* or *Barangay* Peacekeeping Action Teams. They have also encouraged grassroots participation from the *barangay* level to help maintain peace and order and public safety within the *barangay* through community volunteers and the *Barangay* Peacekeeping Action Teams (Local Peace and Order Council, Dumaguete City and Bais City, November 2016).

Environmental Management. Both cities have a system of managing solid waste as embodied in their respective local ordinances. Thus, solid waste segregation was implemented in all areas—city hall, city health facility, public schools, public market, and down to the *barangays*. Dumaguete City and Bais City have a 10-year solid waste management plan, which staff members have submitted for review to the National Solid Waste Management Council. The LGUs have the capacity to safeguard the environment by complying with RA 9003 or the Ecological Solid Waste Management Act of 2000. The two cities maintain a material recovery facility at the minimum storage for recyclable materials and have access to a sanitary landfill (Environment and Natural Resources Office, Dumaguete City and Bais City, November 2016).

The performance status of the two cities showed the core dimensions of good local governance: efficiency, participation, and transparency (Table 1). These core dimensions were manifested and bestowed to their constituents through the quality of performance and state of fiscal administration in disaster preparedness, social protection, business-friendliness and competitiveness, peace and order, and environmental management.

Programs from the Performance Challenge Fund

To strengthen local governance and overall performance of LGUs, the DILG established the PCF, an incentive system for LGUs that excel in local governance. Berggruen and Gardels (2013) describe governance as one that pertains to how the cultural habits, political institutions, and economic system of a society can be aligned to deliver the desired good life for its people. They added that good governance is when these structures combine in a balance that produces effective and sustainable results in the common interest. Legaspi (2001) argues that there is emphasis on the community, both individually and collectively, when talking about people's participation in the decision-making process. The role of the citizen is important and goes beyond being a mere consumer of service or being a customer. The citizen has to participate in local decision-making processes. There is a need, therefore, to provide mechanisms for people to participate at the community level.

The two cities were both eligible to receive the monetary incentive of the SGLG worth PhP 5 million each through the PCF. The two cities created and implemented their projects through an executive order signed by their respective local chief executives. The purpose of giving monetary incentive from the PCF is to enable LGUs to implement programs, projects, and activities that are consistent with the development thrusts of the Philippine Government and the respective development agenda of the LGUs. Such programs are intended to support, in particular, the attainment of the Millennium Development Goals, promotion of local economic development, disaster preparedness, and transparency in governance.

To ensure the proper implementation of their identified priority projects for funding from the PCF, the two LGUs recognize the importance of creating the City Performance Challenge Fund Project Implementation Team (PCF-PIT). This is pursuant to the DILG Memorandum Circular No. 2013-148 setting the implementing guidelines in availing and implementing the PCF in CY 2013. The two cities' PCF-PIT had the

Table 1. Summary of the performance status of Dumaguete City and Bais City

COMPONENTS	PERFORMANCE STATUS
Good Financial Housekeeping	The two local governments showed transparency by posting regulatory guidelines and governing policies in conspicuous areas. The presence of their full-disclosure policy documents in the Full Disclosure Policy portals, and the posting of their annual Commission on Audit report and opinion in public markets, plazas, and city hall bulletin boards were indicators of transparency. Giving access to financial documents by making them available to the public constitutes people's right to information, community empowerment, and active participation. Posting public documents provided opportunities for the public to give feedback to local officials with respect to the quality of service delivery.
Disaster Preparedness	The two cities were disaster-resilient as they were competent in handling technicalities, logistics, and equipment. Likewise, they also advanced their local institutional capability through their contingency plan and local environmental management by adapting climate change/calamity programs, sufficient support, and adequate people protection in times of disasters.
Social Protection	Both LGUs showed comparable capacities in responding to the well-being and welfare needs of their community members, particularly the less fortunate and the marginalized. In addition, they appropriately addressed issues of violence against women and children, and their health facilities enabled them to provide basic health services, such as maternal healthcare, TB-directly observed treatment short courses, and services in terms of physical facilities that cater to the welfare and comfort of persons with disabilities, senior citizens, and pregnant women.
Business-Friendliness and Competitiveness	Installing the citizen's charter and information on the one-stop processing of business applications is among their strategies to invite investors. The two cities adhered to sustainable and inclusive economic agenda as they created friendly and easy processing of business permits, thereby maintaining an investor-friendly atmosphere.
Peace and Order	Security and order were among the top priorities of the two LGUs, which strengthened their Local Anti-Criminality Action Plan or Local Peace and Order and Public Safety Plan. Moreover, they ensured that the different peace and order outposts were equipped with the supplies necessary for them to function effectively. The peace and order program of the community accentuated a community that is free from danger, threat, and uncertainty.
Environmental Management	The two cities strictly implemented their solid waste management ordinance, with announcements posted in public places. Additionally, they managed minimum storage for recyclable materials and had access to a sanitary landfill. They also strictly followed their 10-year solid waste management plan in compliance with environmental laws.

following tasks and responsibilities: 1) ensure the implementation and completion of PPAs funded under the PCF following the guidelines set in the DILG Memorandum Circular No. 2013-148 and other subsequent relevant issuances; 2) monitor the implementation of the PCF-funded project and apprise the City Mayor and the Sangguniang Panlungsod on the status of its implementation; 3) submit to the provincial and regional offices of the DILG the PCF's required reports, such as the monthly/quarterly physical and financial accomplishment reports, project completion report, and assessment/evaluation report; 4) ensure that monthly/quarterly progress of the project and the disbursements are disclosed to the public; 5) recommend to the City Mayor policies, strategies, and actions that are necessary for the effective and efficient implementation of the PCF-funded project; and 6) make sure that the city government complies with all the documentary requirements and processes to access the PCF.

Projects Undertaken. The construction of the Cultural Heritage, *Pasalubong* Center, and *Bagsakan* Center in Bais City was made possible through the PCF. The project is located at the old satellite market along the national highway. The groundwork of the construction of the said project was a make-up plan of the existing *bagsakan* area or farmer market. It has a *Pasalubong* Center for visitors and tourists visiting the city and a second floor where old books, works of art, and artifacts of Bais shall be kept, preserved, or conserved. Its strategic location at the satellite market was envisioned as a signpost for travelers and traders. The support from the DILG through the PCF for LGUs would help Bais City jumpstart and sustain local socioeconomic development initiatives.

The construction of Cultural Heritage Center (PhP 3 million), *Pasalubong* Center (PhP 1 million) under the City Tourism facility, and a unit of *Bagsakan* Center (PhP 1 million) under the Public Market Category were among the key priorities. This three-in-one project seeks to support agro-fishery, business, trade and industry, market exchange, and distribution of farm and marine products. The *Bagsakan* Center also opened the doorway to visitors and tourists by promoting the city's tourism industry through additional facilities, the *Pasalubong* Center and the Cultural Heritage Center. The project concept was a two-story building, the ground floor of which shall be allotted for the *Pasalubong* Center (enclosed, 5 m x 7.5 m area and airconditioned) and the rest for the *Bagsakan* Center, which is an open area. The entire upper floor would house the Cultural Heritage Center with a floor area of 407 m². Overall, the total floor area is 814 m² (Bais City Engineers Office, November 2016).

The objectives of the *Bagsakan* Center project are to 1) create a business district that will supplement revenues for the LGU of Bais; 2) ensure a well-managed market exchange, distribution, and delivery system of the basic products and services being made available through sufficient facilities; 3) establish an improved and superior structure of *Bagsakan* Center; 4) project Bais City's *Bagsakan* Center as a show window of agricultural, marine, and other indigenous products; 5) provide Baisanons as well as visitors/tourists a place to shop for *pasalubongs* or giveaways, like native delicacies, handicrafts, local goods, and other items unique and proudly Baisanon-made; and 6) promote conservation and preservation of Baisanon arts, books, documents, movable artworks, machines, clothing, and other artifacts that are considered worthy of preservation for the future including objects significant to archeology, architecture, and science and technology.

The target beneficiaries of the project were the farmers, vendors, and the general public of the entire Bais City consisting of 35 *barangays*: 17 (hinterlands), 13 (coastal and wetland), and 5 (lowland). The City has about 90,000 people. The two-in-one *Bagsakan* Center and *Pasalubong* Center project serves as a storehouse for Bais City's products, which are mostly agricultural, marine, and other industry-developed commodities. It generates income from freight charges, warehouse consignment, and storage fees. The standard operating procedure relies principally on the proper supervision of consolidated systems in response to the operational preparedness of its management. Similarly, a well-equipped workforce ensures proper sorting and timely delivery of goods and services.

On the other hand, the Cultural Heritage Center was built for people to remain connected with their past. Consequently, it is important that a Cultural Heritage Strategic Research Team must be formed to identify and earmark Bais City's authentic and tangible cultural heritage. This move will help pave the way for the enactment of municipal and national legislations that are necessary to protect and sustain the designated cultural heritage.

The City of Dumaguete has nine coastal *barangays*. As sea level rises, shoreline erosion has become widespread and has caused crisis for many communities. Shoreline protection is the process of constructing a barrier along the shoreline to prevent the shore from being washed away by erosion or scouring activities. The LGU, being a recipient of the monetary award from the PCF, used the Php 5 million to construct a shoreline protection structure along coastal *barangays* in Piapi and Bantayan. The project included a demolition of the damaged wave

deflector (200 linear m), structural excavation for the foundation/seawall toe, construction of rubble concrete seawall (1.50 m x 1.00 m x 172.75 linear m), and construction of 172.75 linear m stone masonry seawall including the filling up of ballast and boulders for the embankment, and construction of 372.75 linear m that reinforced the concrete wave deflector. The shoreline protection project is expected to benefit the residents/property owners, fishers, properties, and marine lives, and sanctuaries in the areas (Dumaguete City Engineer's Office, November 2016).

Table 2 shows that the project aligns with the *Philippine Development Plan 2011–2016*, especially with reference to programs on disaster preparedness and adaptation to climate change and sustainable environmental management (National Economic Development Authority, 2011). The objectives of the project are to 1) prevent the shore from being washed away by erosion or scouring activities; 2) protect backshore areas from heavy wave action and, in lower wave energy environments, to separate land from water; 3) prevent hazards endangering human lives and their properties; and 4) generate employment. The target physical output of the project was a structurally stable environment and confinement structure for infill to protect shorelines, reinforce the upper

Table 2. Comparative programs undertaken by Bais City and Dumaguete City using the Performance Challenge Fund

CITIES	PROJECTS UNDERTAKEN	ELIGIBLE (Projects Aligned with the National Government Thrust and Priorities)	OBJECTIVES AND GOALS
Bais City	Cultural heritage, <i>Pasalubong</i> Center, and <i>Bagsakan</i> Center	Local economic development	To promote agro-fishery, tourism, business, trade and industry, market exchange, distribution of farm and marine products
Dumaguete City	Shoreline protection along coastal <i>barangays</i> of Piapi and Bantayan (Seawall structure and wave deflector)	Adaptation to climate change and preparedness for disasters	To protect shorelines, reinforce the upper soil layer, prevent soil erosion and flooding

soil layer, and provide resistance to erosive conditions, sliding forces, and long-term stability with vegetation and permeable aggregate or hard-armored concrete.

Available Opportunities due to SGLG Award

This section presents the new opportunities that emerged for Dumaguete City and Bais City owing to their being recipients of the SGLG award. The two cities hurdled the SGLG criteria in 2015 that enabled them to access the PCF. The PCF enabled the two cities to put up several infrastructure as discussed in the previous section. Table 3 shows that the two LGUs had the opportunity to design programs and projects to improve the lives of their constituents.

Opportunities Available in the LGU of Bais. In Bais City, the PCF-funded project aimed to put up a facility that would enhance their overall socioeconomic services, in particular, the delivery of their products (City Local Government Officer, Bais City, November 2016). While there was already an existing public market in Bais City, the existing facility could not accommodate the increasing number of vendors and consumers. As a result, the vendors as well as consumers were spilling over on the streets causing public inconvenience and annoyance. Local officials saw the need to expand the existing public market, particularly for fruits and vegetables, to serve as trading posts for farmers, traders, and consumers. Hence, the LGU used the old satellite market as a trading post for farmers and traders. The local farmers living in the hinterlands saw the

Table 3. SGLG award opportunities available from the LGUs

CITIES	OPPORTUNITIES AVAILABLE	TARGET BENEFICIARIES
Bais City	• Better facility • Improved socioeconomic services • Permanent <i>bagsakan</i> centers for farmers • Enhanced delivery of products • Strengthened participatory governance and collective effort	Local farmers, vendors, and tourists
Dumaguete City	• Minimized damage to properties • Ensured protection and safety of its residents • Strengthened participatory governance and collective effort • Addressed flood distress problem through wave deflector and seawall structures	Local fishers and residents living in the coastal areas

opportunity to put up a permanent *Bagsakan* Center. It is expected that this move would facilitate the movement of fruits and vegetables, which would also help rejuvenate the city's economic activity.

The beneficiaries were thankful to the LGU of Bais, as the LGU helped them in the transport and display of their produce. One Bais City FGD participant said, *"There is quality service. This kind of opportunity really benefited us."* The project provides the local farmers a secure and safe place for their products. The local vendors and farmers used to stay in dilapidated stalls. The *Bagsakan* Center provides them with clean and secure stalls that prevent thieves from stealing their goods. According to one of the FGD participants from Bais City, *"Having the new Bagsakan Center is much better and more convenient for us. Before, we don't have the right place for our products. It is better here. It is spacious, clean, and there is place/area for tourists and customers."*

Opportunities Available in the LGU of Dumaguete. The LGU of Dumaguete saw the opportunity to improve the lives of the locals in the coastal areas by constructing a seawall and a wave deflector. The projects help address the flooding in the *barangays* Bantayan and Piapi. One FGD participant from Dumaguete City said, *"We were invited to fully participate during the assessment and decision-making about the project, our concerns were answered."* In the past, the properties of the residents (pump boats and houses) were frequently damaged during heavy floods due to typhoons and torrential rain.

Benefits of Good Governance

The SGLG award in 2015 has given the two LGUs the opportunity to enhance their capabilities to promote peace and order, ensure public safety, and promote effective delivery of social services. The two cities continue to strengthen people's participation in local governance. They have also enhanced their capabilities to implement policies and respond to the needs of their respective communities. Overall, the two LGUs have stepped up their game in providing quality services and promoting inclusive growth in their localities. Inclusive growth means "broad-based, shared, and pro-poor growth, which reduces the incidence or prevalence of poverty and at the same time increases the involvement of people in the growth process of the country" (DILG, 2015). It is also characterized by self-reliance in terms of maintaining peace and order and promoting investments and other development programs that are part of their local economic development for the welfare of the people. The SGLG through the DILG continues to challenge all LGUs to walk the path towards good local governance.

It is indicated in Table 4 that the benefits of good governance as exemplified by the cities of Bais and Dumaguete could be summed up in four key areas: 1) accountability, transparency, and people's participation in local governance; 2) business friendliness and competitiveness; 3) disaster preparedness and adaptation to climate change; and 4) socially prepared and safe community. The cities of Bais and Dumaguete exemplify good local governance by showing accountability, transparency, and participation. Other fundamental benefits of good governance were putting in place mechanisms to set strategic directions to reform business processing procedures and systems of permit applications for more favorable business environment.

The two cities have both established programs relating to disaster preparedness and adaptation to climate change. These programs have enabled them to confront the impacts of extreme weather events, such as typhoons and flash floods. This level of preparedness made them resilient LGUs. Resiliency implies that a local government has the appropriate and adequate technical know-how and equipped with leadership structure, plans, internal and external administrative systems, logistics, and equipment that can be mobilized anytime. Responding to the impacts of extreme weather events are the greatest test of local institutional capability.

The LGUs' social welfare programs were capable of addressing the well-being needs of their citizens, especially the indigents, the vulnerable, and the marginalized. The social and development programs of the two cities through their respective City Social Welfare and Development Office proved adequate to meet the criteria set for social protection in the SGLG. Both cities committed themselves to reducing incidence of poverty and casualties from any disasters. They promoted

Table 4. Benefits of good governance enjoyed by the two LGUs

CITIES	FOUR ALIGNED OUTCOMES AND AREAS	BENEFITS ENJOYED
Bais City	- Accountability, transparency, and people's participation - Business friendliness and competitiveness - Disaster preparedness and adaptation to climate change - Socially prepared and safe community	- Reduced poverty incidence - Accessible basic services and development programs
Dumaguete City		- Awareness and social protection - Disaster resiliency

and worked towards a peaceful community free from any distress, especially those relating to violence against women and children.

The FGD results indicated that there is a strong and significant community participation in choosing the PCF projects. The farmers and vendors of Bais City as well as the fishers and coastal residents of Dumaguete City, all PCF beneficiaries, confirmed that they participated in selecting the projects. Their views towards the projects were also listened to by the local chief executives and the DILG representatives. For example, the sea wall and wave deflector projects in *barangay* Bantayan and Piapi were products of people's collective effort after several joint consultations with the DILG, the city and *barangay* local officials, and the coastal residents. According to one FGD participant from Bais City: *"We were thankful that after a series of dialogues and consultations, the LGUs agreed on something and answered our needs."* The same sentiment was expressed by a participant during an FGD in Dumaguete City: *"We really experience and feel that there is people's participation because we were consulted in this project."* They also added that they felt empowered upon seeing the result of the consultations. Consequently, they have encouraged other citizens to participate in government's activities pertaining to assessing development needs in the community. Doing so, according to the participants, promotes shared responsibility between local officials and the communities. The output of the consultations and other community engagements improved LGUs' response and participation in local planning development and enhanced access to basic social services by the community.

CONCLUSION AND RECOMMENDATIONS

Participation, transparency, and accountability—the three dimensions of good governance—are the visions of the 1991 Local Government Code. As an analytical term, the term *governance* refers to the method through which choices are made, and when individuals view good governance as a prescriptive notion, they become aware of the concepts that are deemed vital for a growing country's political decision-making processes (Doeveren, 2011).

The best practices of Bais and Dumaguete cities relating to people-based governance as described in this paper resulted in favorable outcomes. Both cities promoted trust and strong collaboration among the local people, especially the marginalized. Despite having different political agenda and overall strategic directions, the two cities showed sound strategic planning and policy that strengthened inclusiveness in their decision-making.

Likewise, Jubaer (2019) noted that good governance could be measured in terms of participation, rule of law, transparency, responsiveness, and accountability. The projects, activities, and programs of the two cities were SGLG-aligned. The cities of Dumaguete and Bais focused on important areas and implemented their initiatives accordingly. The implementation of the PCF projects was made through people's consultation, and the identified projects demonstrated good leadership that strengthened collaboration between the community and the public officials. Citizens have become more actively involved in the decision-making and in the implementation of activities (Brillantes et al., 2003). The cases of the cities of Bais and Dumaguete show that institutionalizing best practices in local governance, as enshrined in the SGLG criteria, would yield impressive results.

Thus, this study recommends the following:

Local Chief Executives and All Local Government Units. The office of the DILG Central Office, Local Governance Performance System, and PCF should present this study in their PCF conference and share the results to all local chief executives, particularly to the LGUs that were not SGLG awardees.

Researchers. Future researchers who would look into the experience of SGLG awardees should consider site validation and should not solely base the analysis of the data gathered using the documents presented. In this current study, doing site inspection could have been ideal, as there were actual problems in aspects of the criteria which were not given much attention due to some limitations of the investigation.

City Government of Bais. The City Planning and Development Office must regularly convene to update its Comprehensive Land Use Plan and existing policies. The Office of the Mayor must develop strategic action plans and comprehensive social welfare programs and linkages that would include networking with various recognized local sectors such as the people's organizations and non-governmental organizations. The City Treasurer's Office, the City Environment and Natural Resources Office, and the City Mayor's Office should communicate with each other regularly to reflect on the achievements and failures of their respective offices and set aside their political differences.

City Government of Dumaguete. The City Mayor's Office and City Administrator's Office must increase the capacity of their staff members to communicate with different stakeholders based on

program-based advocacies and achievements of the city government. For these recommendations to take effect, the City Treasurer, the City Environmental and Natural Resources Office, the City Mayor's Office, and Administrator's Office of Dumaguete City must be provided with a copy of this study. The researcher could personally discuss the findings with them in the hope that they would encourage the offices mentioned above to be more accountable and responsible in making decisions, and to include or incorporate sustainable development policies and guiding principles in their Executive Legislative Agenda.

The Department of the Interior and Local Government.

This office should strengthen its commitment to the SGLG policies and encourage local chief executives from low-class cities and municipalities to work together to constantly evaluate their present situations and positions, and prepare regular reports and updates to their respective city or municipal local government officers.

It is recommended that their local offices authorize all their staff members to conduct various activities including training programs, workshops, and meetings with all LGUs in the Philippines to meet the criteria of the SGLG award which, in turn, would strengthen the LGUs' bureaucratic structures, organization planning, and decision-making. They must encourage other non-PCF awardees/beneficiaries to understand the issues and concerns that affect their individual *barangays* so they could develop certain strategies with the local chief executives to respond to social issues and problems.

For such recommendation to materialize and to improve local governance and policy-making processes, it is imperative to present the findings of this study to the city councils of the two cities so they could act on the recommendations. In addition, it is hoped that the findings of the study would be presented to other LGUs to remind them of their significant roles as vehicles for development.

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