RAPID ASSESSMENT REPORT

ON GOVERNANCE INDICATORS SOURCES AND USE IN THE PHILIPPINES

PHILIPPINE GOVERNANCE INDICATORS SURVEY TOOLS

Governance Indicators Use

Survey of Indicators Users

A.   Background

1.   The National College of Public Administration and Governance of the University of the Philippines (UP-NCPAG) through its U.P. Public Administration Research and Extension Service Foundation, Inc. (UPPAF, Inc.) has been commissioned by UNDP CO to undertake a project called *"Philippine Governance Indicator Survey Tools,"* which has two project components. These are: (1) User Guide of National Governance Measurement Sources, and (2) Survey of Indicator Users. (See TOR)

2.   UP-NCPAG organized a team of experts to work on the project. The team recognizes the importance of engaging experts and key stakeholders from the National Statistics Coordination Board (NSCB) in the implementation of the project to insure its sustainability and interface with existing national measurement systems.

3.   In brief, this project was accomplish two research activities to: (1) identify and map out the existing governance indicator sources in the country; and (2) conduct a survey to assess the extent to which policy/decision makers in the Philippines are using governance indicators.

4.   This report covers the results of the survey involving 50-150 policy/decision makers to assess the extent to which governance indicators are being used and whether there are differences on how sources are applied at various levels of government. Specifically, it aimed to rapidly assess the use of governance indicators in the following concerns, among others:

  i.   what (if any) governance indicator sources national policy/decision-makers use in their work;

  ii.   knowledge and understanding of policy/decision-makers national/global indicator sources;

  iii.   the needs and attitudes of decision-makers with regard to existing national sources and the potential of developing new sources; and

  iv.   the strengths and weaknesses/limitations of existing sources and to help inform stakeholders where new data needs to be created.

B.   Profile of the Respondents

8.   While 150 agencies were targeted as respondents to the study, only 51 questionnaires have been retrieved to date. This report includes only analyses of the 51 questionnaires but will be updated as additional questionnaires are retrieved.

9.   The largest group of respondents comes from the Legislative Branch of the Government (24). Seven of these are from the Senate and seventeen from the House of Representatives. Only 8 of the targeted 20 agencies in the Executive Branch have been included. There are also low retrieval rates as yet from the Judiciary (2 out of 10), Constitutional Commissions (5 out of 15), Government-Owned and Controlled

Corporations (GOCCs) (3 out of 10), Local Governments (4 out of 30) and the Academe (3 out of 15).

10.   **Understanding the Meaning of Governance.** There is a somewhat wide variation in the manner in which the agencies view the meaning of the concept of governance. Some 35% adopt the National Statistical Coordination Board's definition of governance as "*the manner in which power is exercised in the management of the country's economic and social resources for development while also referring to it as the exercise of economic, political and administrative authority to manage the nation's affairs at all levels.*" An almost equal proportion, however, use the UNDP definition that governance *is the system of values, policies and institutions by which a society manages its economic, political and social affairs through interactions within and among the state, civil society and private sector.* A few have defined it as *the state's ability to serve the citizens.* Some perceive it in the manner that the United Nations High Commissioner for Human Rights as the Process whereby public institutions conduct public affairs, manage public resources and guarantee the realization of human rights. Still, about one out of every six respondent agencies has no concept of the meaning of governance or the objectives that governance indicators serve.

11.   **Objective of Governance Indicators.** To a little more than 41% of the respondent agencies, the most important objective of governance indicators is to *establish benchmarks, objectives, targets, and goals in the development* context. To another 24%, the rationale for government indicators is to assist with improving governance capacities and pro-poor policy-making. A handful (about 16% feel that *governance indicators are necessary to monitor and evaluate governance programs and projects*; and another 8% see these as important for *providing information to users on business investment, allocation of public funds, civil society advocacy or academic research.*

C.   Extent of Use of Governance Indicators

12.   In the implementation of the agencies' respective functions, almost all of these agencies (except the (Judiciary) are utilizing governance indicators. These indicators may be grouped under the following headings: administrative, economic, social, political and multi-sectoral.

a. Administrative Indicators

13.   Of the administrative indicators listed on the questionnaire, the most utilized information by more than half of the agencies surveyed are the financial reports on government expenditures, participation from civil society/private sector in government councils/committees, performance ratings of government officials and institutions and satisfaction ratings of government officials and institutions. Also used, to some extent, are information regarding responsiveness of local government to business needs, number of consultation workshops conducted. A number of agencies have also used such indicators as Average length of processing time of transactions in government agencies (e.g., LTO, DFA), Number of target national and local agencies providing full information to the public about the services they are required to deliver and no. of human resource training conducted. Although only a few have used composite indices as the Participatory Development Index developed by the Philippine Center for Policy Studies

(PCPS), measures on various dimensions of this have been used by the respondent agencies.

b. Economic Indicators

14.   The extent of use of the different economic indicators is high. Composite Economic indices like the Optimism/Pessimism Index of the SWS, the Development Orientation Index and the Development Needs Index of the PCPS and the Environmental Sustainability Index by the MDGs/ADB are only used to a lesser extent than individual indicators. But the quality of Life Index of the Asian Institute of Management (AIM), SWS and Pulse Asia are used by almost 55% of the respondent agencies. To a large extent indicators like Inflation rate, GDP growth, GNP growth, Peso-Dollar exchange rate. Investments, Export and Import rates are types of information sought by majority of the agencies. Poverty rate is the most sought economic information by the agencies.

c. Social Development Indicators

15.   Social development indicators used to measure accessibility to various basic services are highly utilized by agencies, primarily for program planning purposes. Access to the different basic services like water, health, transportation, education, roads, electricity, markets and shelter are information needed for evaluating improvements in service delivery systems.

d. Political Indicators

16.   There is also a very large extent of use of political indicators. More than half of the respondent agencies make use of indicators like Public opinion/ratings on current issues and electoral process, Public perception/rankings on corruption and Transparency and anti-corruption index derived mostly from SWS, Pulse Asia and other surveys.

e. Multi-sectoral Indicators

17.   Multi-sectoral Indices like the Human Development Index, Life Expectancy Index, Education Index and the income Index are used by about half of the number of agencies surveyed.

18.   The Good Governance Index is used by less than half of the number of agencies surveyed presumably because the search for the information has been limited to specific sectoral concerns.

D.   Sources of Indicators

19.   For the most part, the information sought by the agencies is sourced from government agencies' annual reports, websites or by directly asking for particular data needed through telephones, faxes or personal visits. *National Government agencies, in particular, rely heavily on their inter-agency networks to get the information needed.*

20.   Most national agencies, particularly the legislative branch rely on SWS and Pulse Asia Surveys since most of them are subscribers of one or both survey organizations. These two surveys, conducted quarterly, provide socio-economic and political perceptions information on the most critical concerns: *quality of life, state of the national economy, public safety, poverty and other national issues.*

21.   A lot of the information is also derived from the surveys conducted periodically by government statistics agencies like the NSO, NSCB and others.

22.   Reports of International Organizations, as well, like the Human Development Report, World Bank Reports, Millennium Development Goals and such other reports are heavily relied upon.

23.   Very often, however, information needed is simply derived from newspaper reports, newsletters of agencies, bulletin boards, and from researches and surveys conducted by some institutions.

E.   Lessons Learned and Recommendations

24.   There are a lot of information produced by various agencies that can be accessed and may be used as indicators by other government agencies that they seem not to be aware of. There is a need to inform the public of these possible sources. The Users' Manual on Sources of Indicators being produced by another component of this project contains some of these information. These include: The Local Government Performance Measurement System (LFPMS) of the DILG; the Local Productivity and Performance Measurement System (LPPMS) of the DILG; the Performance Measurement at the Local Level of the ADB;

25.   But there are a lot more that this survey is now able to identify which could be included in the manual. Some of these include:

    a. The Social Welfare Institutional Bureau
    b. Annual Poverty Indicators Survey (APIS) by NSO
    c. Philippine Institute for Development Studies (PIDS)
    d. Philippine Statistical Yearbook (PSY) by NSCB
    e. Local Development Plans
    f. Input-output tables of the Philippines (NSO)

26.   The information provided by the different sources are m*ostly piecemeal and disjointed.* Except for a few composite indices to measure governance, t*here is a need to produce a Good Governance Index* which will be a composite of these different dimensions. There is available, for instance, a Transparency Index and Anti-Corruption Index being produced by the DILG, ADB, USAID, UN and the participatory Development Index of the Center for Public Integrity which can form part of the Good Governance index. Many of the Performance Indices and Indicators of Performance, also the General Public Integrity Index as well as the Public Integrity Index of the Center for Public Integrity may form part of the Good Governance Index. There is a need to examine how these indices and indicators identified in this study can form part of a Good Governance Index for national government agencies, local governments and GOCCs.