



WORKING GROUP ON DECENTRALIZATION AND LOCAL
GOVERNMENT



THEMATIC DISCUSSION ON PERFORMANCE BENCHMARKING

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Lead Convener, Working Group on Decentralization
and Local Government

AUGUST 10, 2006

FLOW OF THE PRESENTATION

- **Review of the 2005 Accomplishments on Performance Benchmarking**
- **Matching of Proposed 2006 Activities with Potential Funding;**
- **Proposed 2006 Activities for Funding Support**
- **Progress to Date**



Theme 2: PERFORMANCE BENCHMARKING

✓ Expanded utilization of performance monitoring systems

Good Progress



- ✓ Focus on using the systems for various purposes
- ✓ Develop incentives for the sustained use of the system and for good performance
- ✓ Improve the Integrity and credibility of performance monitoring measures

REVIEW OF 2005 ACCOMPLISHMENTS

- Completed National Roll-out of the LGPMS to 84% of LGUs (68 provinces, 98 cities, 1,252 municipalities)
 - LGPMS was used by the LGUs for performance assessment
 - Started preparing Local Government Reports
- Started implementing the integration of the LGPMS & LGFPMS
 - Identified the 10 additional financial indicators for inclusion in the LGPMS & the coordination mechanisms between DOF & DILG for implementing the integration

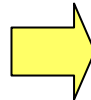


PERFORMANCE BENCHMARKING

1. Expanded Use of Performance Benchmarking Systems

Proposed Action Agenda

- Support to LGUs in their use of the LGPMS in their operations
- Support to LGU Leagues in advocacy of the system
- Support to the academe in undertaking analysis and validation of the LGPMS data



Funding Source

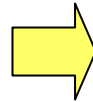
- Submitted for inclusion in the ADB TA 4778

PERFORMANCE BENCHMARKING

1. Expanded Use of Performance Benchmarking Systems

Proposed Action Agenda

- Promote the use of the LGPMS by oversight and sector agencies, particularly in planning and budgeting
- Encourage the development partners to use the LGPMS



Funding Source

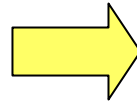
- Submitted for inclusion in the ADB TA 4778
- No funding necessary

PERFORMANCE BENCHMARKING

2. Develop an Incentive System to Promote the Use of Performance Benchmarking Systems

Proposed Action Agenda

- Develop incentives for the sustained use of the system and for good performance



Funding Source

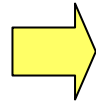
- No funding source identified

PERFORMANCE BENCHMARKING

3. Improve the integrity and credibility of the Performance Benchmarking Systems

Proposed Action Agenda

- Support the DILG central office and regional structures in managing and coordinating the system
- Improve the quality of administrative data inputted in the LGPMS



Funding Source

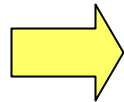
- Submitted for Inclusion in ADB TA 4778
- No funding source identified

PERFORMANCE BENCHMARKING

3. Improve the integrity and credibility of the Performance Benchmarking Systems

Proposed Action Agenda

- Enhance the indicators in the LGPMS
 - Integration of the LGFPMS in the LGPMS
 - Integration of enhanced budget management indicators
 - Link LGPMS with other databases at the local level (e.g. CBMS)
 - Review of benchmarks in the LGPMS



Funding Source

- No funding source identified for activities, except for integration of LGPMS and LGFPMS (ADB TA 4556)

SUMMARY OF PROPOSED MEASURES FOR FUNDING SUPPORT

Performance Benchmarking

- Develop an incentive system for the use of the performance benchmarking systems (related to performance-based grants?)
- Improve the quality of administrative data inputted in the LGPMS
- Enhance the indicators in the LGPMS
 - Integration of the LGFPMS in the LGPMS
 - Integration of enhanced budget management indicators
 - Link the LGPMS with other databases at the local level (e.g. CBMS)



STATUS (As of August 10, 2006)

Performance Benchmarking

- Started discussions for the contracting of the Philippine Governance Report which will be funded by the UN agencies
- Integration of the LGFPMS with the LGPMS to start with the 2005 data capture by July 2006
- Proposed work packages for the improvement of the LGPMS submitted to ADB TA 4778

