

Highlights of the Coordination Meeting Held on April 25, 2006

I. Status of Working Group Activities

A. Working Group on MDGs and Social Progress

1. The Working Group (henceforth referred to as WG MDG) is divided into several sub-groups covering health, education, poverty monitoring and social protection, which has just been organized. Each of the Sub-groups has been requested to prepare more detailed action plans which were due on May 15, 2006.
2. Given its areas of focus, the WG MDG plans to work closely with other PDF Working Groups such those involved in decentralization, fiscal and corruption and good governance issues. The LGU-focused activities of the WG MDG which may have to be coordinated with the WG on Decentralization (henceforth referred to as WGD) include : (a) advocacy for a national population policy; (b) application of the framework for Gender and Development (GAD) at the LGU level; (c) budget support for MDGs to address the wide gap in implementing the 20/20 initiative at the local level; (d) institutionalization of a poverty monitoring system for LGUs through the community-based monitoring system (CBMS); and (e) “quick wins” through advocacy for breast feeding and the signing of the implementing rules and regulations on the Milk Code.
3. The Subcommittee on Education under the WG MDG is encouraging a sector-wide approach in implementing reforms in education even for LGUs, supporting in the process the management of resources closer to the schools by bringing down authority to the barangay level. The Subcommittee is especially interested in the amendment of the Local Government Code especially in the provisions pertaining to the Local School Boards and the Special Education Fund. The Subcommittee suggested the need to engage the *barangay* health officers since low cohort survival rate has been traced to nutrition problems, which may be addressed by *barangay* officials.

B. Working Group on Sustainable Agriculture

4. The WG on Sustainable Agriculture (WGA) has not met to formulate its action plan. Mr. Peter Keller, however, supported the initiative to examine crosscutting issues across PDF Working Groups. The focus of the WGA is to implement the convergence policy across the rural development (RD) agencies, namely DA, DENR and DAR. In addition, the WG, through the RD agencies, needs to immediately engage the LGUs, through the Leagues, in discussing devolution of agriculture and

environment and natural resources services in line with the policy reforms in the sector.

5. Part of the WGA activities is the showcasing of how convergence can be implemented at the local level; hence the importance of identifying pilot areas or case studies that would also illustrate the devolution of agriculture services. Some of the donors like GTZ is prioritizing programs that would showcase how convergence can be applied on the ground. Among the three RD agencies, the DAR has not been engaged in devolution discussions with the Leagues since agrarian reform has not been devolved yet and has not been identified as priority by the Leagues.

C. Working Group on Mindanao

6. The WG on Mindanao (WGM) also recognizes the importance of coordinating with other PDG WGs particularly in the following areas: (1) policy studies related to promoting local government finance such as the proposal to extend loans to LGUs without sovereign guarantee; (2) the application of the procurement law at the LGU level; (3) mapping of capacity building programs for LGUs which is in line with WGM efforts at databasing programs and projects through the MEDCO; (4) performance-based grants which have been discussed in convergence meetings organized by the WG in relation to its concern that poor LGUs with low HDI receive very meager ODA; (5) the need to capacitate LGUs to manage ODA, among others; (6) the disarmament/demobilization program which is being implemented by NG in conflict areas; and (7) mapping of poverty areas through the CBMS to improve targeting of poverty reduction programs

D. Working Group on Growth and Investment

7. The Working Group on Growth and Investment (WGG) has organized subcommittees to implement its work plan. The representatives of DTI were also receptive to the idea of working with the WGD in the areas identified in the matrix, especially in SME development at the local level. They also expressed interest in coordinating with the different Leagues, i.e. League of Cities (LCP) and the League of Municipalities (LMP), in streamlining LGU regulatory powers such as the granting the business permits/registrations. The importance of setting standards for classifying “business-friendly” LGUs could be used by the WGD to enhance the Local Government Performance Management System (LGPMS).

E. Working Group on Corruption and Good Governance

9. The WG on Corruption and Good Governance (WGC) is still in its organizational stage with transitions in leadership both at the donor and

government sides. Possible areas for convergence with the WGD will be in the identification of performance indicators on governance and corruption which may be considered in the LGPMS. The development partners like the Asia Foundation also has undertaken studies in corruption with the LCP and procurement which can be shared with the WGD and WGC. On the governance side, there are potential overlaps between the two WGs in the following areas: (a) expenditure management particularly in strengthening expenditure controls and in providing capacity building to LGUS in fiscal management; and (b) compliance with the procurement law.

II. Proposals for Harmonizing LGU Concerns

8. The Meeting generally endorsed the recommendations of the WGD on the possible areas for harmonizing the activities of the different working Groups related to decentralization local government (refer to attachment). In addition, the following proposals were, likewise, proposed for study/possible implementation:
 - a. Joint projects (e.g. the CBMS), which can be undertaken by several WGs;
 - b. Organizing quarterly PDF meetings as venues for information sharing;
 - c. Cross membership in the different WGs;
 - d. Extending invitations to other WGs in discussions of issues of common interest;
 - e. Continuous information sharing across WGs

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