

# Analysis

## The Philippines - Canada Local Government Support Program

A case study of local government capacity  
development in the Philippines

Agriteam Canada Consulting Ltd



*A case study prepared for the project 'Capacity, Change and Performance'*

**Discussion Paper No 57N**

April 2006

# Study of Capacity, Change and Performance

## Notes on the methodology

*The lack of capacity in low-income countries is one of the main constraints to achieving the Millennium Development Goals. Even practitioners confess to having only a limited understanding of how capacity actually develops. In 2002, the chair of Govnet, the Network on Governance and Capacity Development of the OECD, asked the European Centre for Development Policy Management (ECDPM) in Maastricht, the Netherlands to undertake a study of how organisations and systems, mainly in developing countries, have succeeded in building their capacity and improving performance. The resulting study focuses on the endogenous process of capacity development - the process of change from the perspective of those undergoing the change. The study examines the factors that encourage it, how it differs from one context to another, and why efforts to develop capacity have been more successful in some contexts than in others.*

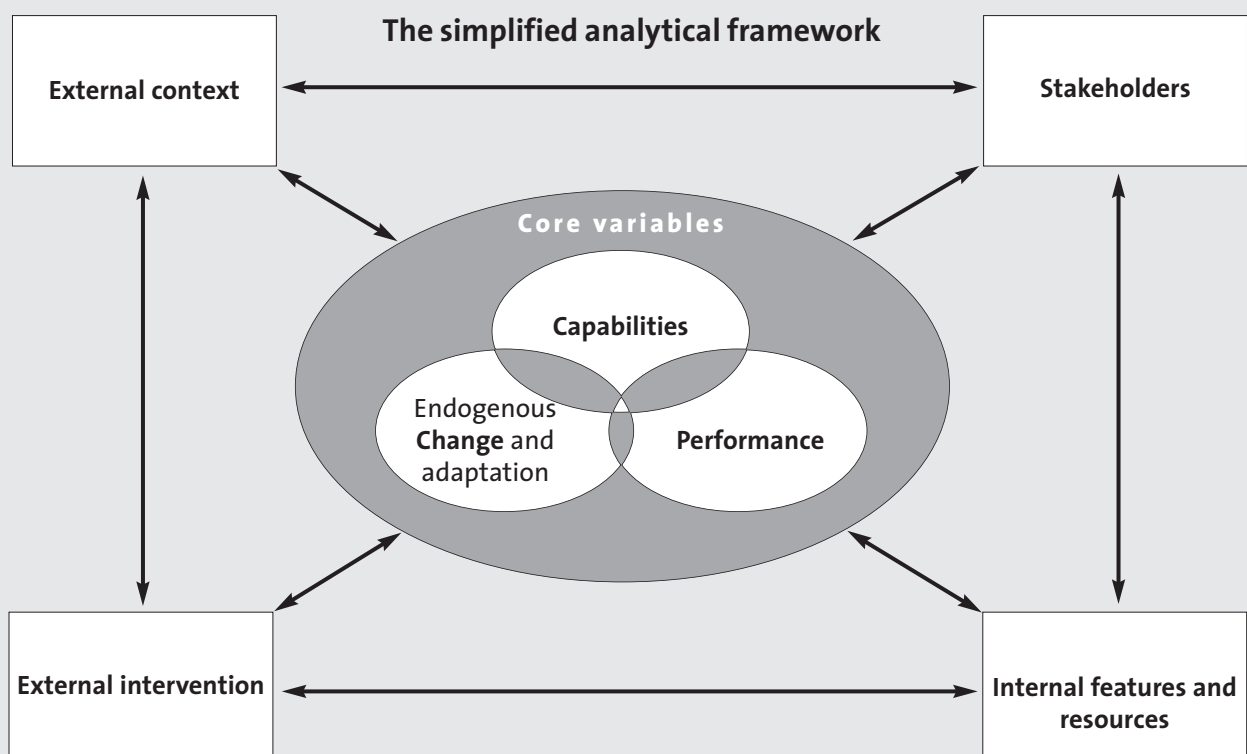
*The study consists of about 20 field cases carried out according to a methodological framework with seven components, as follows:*

- **Capabilities:** *How do the capabilities of a group, organisation or network feed into organisational capacity?*
- **Endogenous change and adaptation:** *How do processes of change take place within an organisation or system?*
- **Performance:** *What has the organisation or system accomplished or is it now able to deliver? The focus here is on assessing the effectiveness of the process of capacity development rather than on impact, which will be apparent only in the long term.*

- **External context:** *How has the external context - the historical, cultural, political and institutional environment, and the constraints and opportunities they create - influenced the capacity and performance of the organisation or system?*
- **Stakeholders:** *What has been the influence of stakeholders such as beneficiaries, suppliers and supporters, and their different interests, expectations, modes of behaviour, resources, interrelationships and intensity of involvement?*
- **External interventions:** *How have outsiders influenced the process of change?*
- **Internal features and key resources:** *What are the patterns of internal features such as formal and informal roles, structures, resources, culture, strategies and values, and what influence have they had at both the organisational and multi-organisational levels?*

*The outputs of the study will include about 20 case study reports, an annotated review of the literature, a set of assessment tools, and various thematic papers to stimulate new thinking and practices about capacity development. The synthesis report summarising the results of the case studies will be published in 2005.*

*The results of the study, interim reports and an elaborated methodology can be consulted at [www.capacity.org](http://www.capacity.org) or [www.ecdpm.org](http://www.ecdpm.org). For further information, please contact Ms Heather Baser ([hb@ecdpm.org](mailto:hb@ecdpm.org)).*



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## Acronyms

ADB	Asian Development Bank
AIM	Asian Institute of Management
ARMM	Autonomous Region in Muslim Mindanao
AusAid	Australian Agency for International Development
CD	capacity development
CIDA	Canadian International Development Agency
CLRG	Centre for Local and Regional Governance
CSO	civil society organisation
DAC	Development Assistance Committee (OECD)
DILG	Department of the Interior and Local Government (Philippines)
EA	executive agenda
ECDPM	European Centre for Development Policy Management
ELA	Executive and Legislative Agenda
FCM	Federation of Canadian Municipalities
GoFAR	Governance Facility for Adaptation and Replication of exemplary practice
HRD	human resource development
IRA	internal revenue allotments
LGA	Local Government Academy (DILG)
LGPMS	Local Government Performance Measurement System
LGU	local government unit
LGSP	Local Government Support Program
LGSPA	Local Governance Support Program in the Autonomous Region in Muslim Mindanao
LOGIC	Local Governance Institutional Capacity Development
LPPMS	Local Productivity and Performance Measurement System
LRP	local resource partner
NEDA	National Economic and Development Authority (Philippines)
NGO	non-governmental organisation
NPMO	National Programme Management Office
OECD	Organisation for Economic Cooperation and Development
OD	organisational development
PIS	performance information system
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

## Summary

This paper explores capacity development and related performance improvement within the context of local governance in the Republic of the Philippines over a 13-year period. It focuses on the development of 'local government units' (cities and municipalities) that in the Philippine political structure are a second tier of government with specific functions devolved to them by the central government. The paper describes the local government units and the enabling and regulatory environment in which they function as a system that is evolving and becoming stronger at the same time as the individual local government units are developing. The concept of capacity development presented in the study is an open systems model that considers capacity development as an ongoing process that in the case of Philippine local governments has led to related improvements in local government performance that in turn have resulted in better services and benefits to citizens.

The case draws mainly on the experience of two external agents with different but complementary mandates to improve local government performance in the Philippines: (i) a donor-assisted project, the Philippines-Canada Local Government Support Program funded by the Canadian International Development Agency (CIDA), and (ii) a national agency of the government of the Philippines - the Department of the Interior and Local Government - mandated to support local government development.

The paper suggests that given the political and social context conducive to devolution and democratisation that existed in the Philippines after the fall of the Marcos regime, and the enabling policy environment created by the enactment of the Local Government Code in 1991, endogenous local government capacity development began to occur. It also suggests that certain external interventions were very effective in supporting and enhancing this endogenous local government capacity development process because of the specific approaches and methodologies that characterised these external interventions.

An analysis of the success of the Local Government Support Program in catalysing local government capacity development concludes that the keys to success include:

- the broad scope and long timeframe of the programme;
- the expertise of the Filipino and Canadian programme managers, advisors and staff related to capacity development, local governance and programme management;
- the use of appropriate and innovative capacity development strategies and methodologies; and
- the embeddedness of programme activities within local, regional and national local government strengthening efforts, thereby enhancing endogenous processes rather than introducing external solutions.





# 1 Introduction

This case study has been developed as part of a larger study on capacity development undertaken by the European Centre for Development Policy Management (ECDPM) for the OECD's Development Assistance Committee (DAC). It is one of 16 international cases that the ECDPM analysed as part of its research, and the study follows the general methodology set out by the ECDPM researchers.

This case study explores capacity development within the context of local governance in the Philippines. It draws heavily on the experience of local government units involved in the Philippines-Canada Local Government Support Program (LGSP), a joint initiative of the governments of Canada and the Philippines to work towards poverty reduction by strengthening local governments and promoting good governance at the local level. It also draws on the experience of the Department of the Interior and Local Government (DILG), the national agency of the government of the Philippines mandated to oversee local governments' operations and promote their development.

The research for this case study was undertaken by LGSP staff and researchers provided by Agriteam Canada, the Canadian agency contracted by the Canadian International Development Agency (CIDA) to manage the programme, and by the Galing Pook Foundation, a Philippines Foundation that promotes excellence in local governance primarily through the identification of exemplary practice and a national local government awards programme. The information contained in the paper was obtained from LGSP and DILG documents and reports, and interviews in the Philippines with various local government officials, local governance experts, DILG, Galing Pook and LGSP staff, and other local governance stakeholders.

## Background

The Republic of the Philippines has made significant progress in decentralisation and democratisation over the past decade. Its devolution legislation and local government system are frequently studied by other Asian countries as a model for decentralisation. However, the process has not been without challenges. In 1991, when the Local Government Code was enacted, few local governments had the capacity to

carry out their newly mandated functions. The national government and local government officials themselves identified the urgent need for capacity development and capacity development assistance for local government units. The national government charged the DILG with responsibility to develop the capacity of local governments and invited donor assistance. Since 1991 many national government initiatives and donor-assisted projects have supported local government capacity development with one of the most successful being LGSP.

LGSP represents a long-term commitment on behalf of CIDA to support the Government of the Philippines' decentralisation and poverty reduction strategies. It is a major component of CIDA's official development assistance programme to promote democracy and good governance in the Philippines. The programme has been implemented in two phases, phase I from 1991 to 1998, and phase II from 1999 to 2006. Both phases have been funded jointly by CIDA bilateral branch and by the Philippines-Canada Development Fund, a fund established through the monetisation of Canadian commodities and administered by a Board of Directors made up of representatives of CIDA and the Philippine National Economic and Development Authority (NEDA). Total expenditure for the programme is approximately CDN\$60 million, \$30 million for each phase. Phase I, managed directly by CIDA and administered by Filipino consultants and NEDA officials, assisted more than 300 local government units (municipalities, cities and provinces) in Mindanao and Western Visayas in the southern Philippines. Phase II, managed by a Canadian executing agency, Agriteam Canada, in collaboration with the Federation of Canadian Municipalities, supported over 200 local government units in the same provinces as phase I and, in addition, supported development of the 'enabling environment' by assisting various organisations and institutions within the local governance system at regional and national levels.

Although this case study is primarily about developing the capacity of local *governments* as organisations, the term local *governance* is used instead of local government to reflect the LGSP and DILG position that if effective local government is to be realised, in addition to assisting local government units, it is necessary to enhance the capacity of community and citizen groups to become involved in local government and to strengthen the mechanisms that allow government-citizen interaction.

This paper provides an overview of capacity development within the context of local governance in the Philippines, focusing on the development of cities and municipalities, and examines the success of LGSP in facilitating the process. It suggests that the political and social context in the Philippines in the 1990s was conducive to decentralisation and democratisation, and that LGSP and other initiatives to strengthen local governance were welcomed by the majority of stakeholders. It also suggests that certain characteristics of LGSP, along with the approaches taken by LGSP managers and staff, enhanced the success of LGSP in supporting and enriching the endogenous change process that was taking place within the local governance system in the Philippines at that time.

## 2 External context

In the late 1980s, in the wake of the 1986 'People Power' movement that ended the dictatorship of President Ferdinand Marcos, the Republic of the Philippines underwent significant political and social reforms. The administration of incoming President Cory Aquino, and those of subsequent leaders, were pressured to make government more effective and accountable, and to enact legislation that would prevent a repeat of a Marcos-style regime. The business community and the educated and professional middle and upper classes that had been instrumental in the peaceful revolution to overthrow President Marcos demanded legislation that would limit the power of the president, restrict the use of martial law and make government more responsive to the people. They were supported by civil society leaders eager to establish a more grassroots form of governance.

Politically, the new government could not ignore public demand from the leaders of the People Power movement. Nor could it fail to reward powerful regional leaders who had been supportive of the peaceful revolution that brought the new administration to power. Decentralisation and devolution therefore became a key component of the national government's strategy to provide more democratic, responsive and accountable governance. Devolving power to local authorities (especially to provincial governors) allowed the central government to respond to public demand for power sharing, to reward key

supporters, to develop a regional power base for the administration, and to reduce competition at the centre.

Geographically and historically, the Philippines is a country of separate island groupings and small 'kingdoms' or 'sultanates', rather than a tightly knit unitary state. There was therefore little public opposition to decentralisation and devolution to provinces, cities and municipalities. Resistance was limited to central government departments that were disinclined to share power and resources with lower levels of government.

With the assistance of several 'think tanks', legislation was developed to decentralise government functions and devolve selected powers and responsibilities to regional and local levels. The reforms included extensive devolution to local government units (provinces, cities, municipalities and *barangays*), as well as efforts to increase the accountability of local governments through local elections and increased citizen participation in decision-making processes. The reforms were widely supported by the local chief executives (governors and mayors) who were eager to gain more power and autonomy. Organised into associations, or 'leagues', the city and municipal mayors, and provincial governors, lobbied along with NGOs and key national politicians for decentralisation and devolution. On 10 October 1991, the Local Government Code (Republic Act 7160) was enacted, decentralising powers, authority, responsibilities and resources to local governments. A comprehensive piece of legislation, the code is frequently studied as a model by other countries in Asia.

The Philippines has a three-tier system of local government. The highest tier consists of 79 provinces; the second tier comprises approximately 200 cities and 1500 municipalities; and the third tier is made up of over 40,000 *barangays* (villages/wards). Provinces, cities and *barangays* are referred to as local government units (LGUs), each of which has an elected local chief executive and a council of elected representatives. Provincial local chief executives are governors, cities and municipalities have mayors, and *barangays* have *barangay* captains. All local government chief executives and council members are elected for a three-year term of office in elections managed nationwide by a national elections commission.

The Local Government Code has four outstanding features:

- 1 it grants local government units significant regulatory powers, including land classification and community-based forestry and fisheries;
- 2 it devolves to local government units the responsibility for the delivery of basic services (e.g. agriculture extension, public works, health, housing, social welfare, tourism and investment promotion);
- 3 it increases financial resources available to local governments through increased internal revenue allotments from national wealth and the granting of authority to mobilise resources through taxation, credit financing and other public and private sources; and
- 4 it recognises and encourages the active participation of the private sector, NGOs and people's organisations in the process of governance. The DILG was designated as the lead national agency for the implementation of the code.

Not surprisingly, when the code was implemented in 1991, many local governments lacked the capacity to carry out their enhanced mandate. Although the Philippines has a long history of indigenous local governance and traditional forms of local leadership, over three centuries of colonial rule followed by martial law under Marcos had left a legacy of centralised public administration and weak local government authorities. Local elections were frequently flawed by various forms of vote rigging and intimidation, and offices were usually held by powerful families that 'inherited' local positions and left planning and development programming to national authorities. Decisions of a local nature were often influenced more by patronage and power brokering among political families and rebel leaders than by community needs.

In recognition of the need to strengthen local governments for their role in a more decentralised and democratic system, the government of the Philippines requested development assistance from various donor countries and organisations. Several donors responded, including Canada, which signed a Memorandum of Agreement to initiate LGSP in October 1991. The programme was designed to support the efforts of the government of the Philippines and participating local governments to develop capacity for effective local governance. Other initiatives to support local government development were funded by other donors including Australia, Germany, the United States, the Asian Development Bank (ADB) and UNDP.

With the social and political context ready for devolution and democratisation, the major enabler for change within local governance in the Philippines was the enactment of the Local Government Code. The code set the stage for the evolution of local capacities in a number of ways:

- It initiated an era of local government units as mandated service providers. Prior to the code, services were delivered by national agencies; afterwards LGU officials began to think about how to deliver better services and how to mobilise the resources to do so. This motivated LGU officials to join forces with other LGUs and levels of government, community groups and the private sector, and to look for examples of innovation and best practices to help address their service delivery challenges.
- It stimulated a change in local officials' perspective on leadership from one of 'patron' to one of 'development manager'. By granting LGUs authority to mobilise resources and generate revenue, and responsibility for development planning, the code prompted discussion about local self-reliance and autonomy. Some local leaders began to develop a vision for a better future for their communities. Many became personally motivated to leave a legacy of social and/or economic improvement.
- It invited cooperation and collaboration between the local government and its constituents including civil society organisations, the private sector and the citizenry at large. Before the code, the national government set the business climate; afterwards LGUs were able to formulate their own policies to attract and regulate private businesses. The code also mandated civil society participation in 'local special bodies' including the police, health and education boards and local development councils.

The demand for capacity development (CD) assistance from governors, mayors and other LGU officials grew steadily as they struggled to implement the code and carry out their newly devolved responsibilities. The need to strengthen LGU capacity was also voiced by national line agencies concerned about devolving services to unprepared provinces, cities and municipalities.

Gradually, national line agencies began to relate to LGUs differently. Initially not prepared for devolution, they were reluctant to share power and resources with LGUs. Frequently LGUs were required to implement

national government programmes without corresponding funding, and with little or no inputs into programme design. National line agencies played an oversight and regulatory role in relationship to LGUs, focusing on ensuring compliance with national policies and standards. As LGUs became more self-reliant some national agencies, particularly the Department of the Interior and Local Government (DILG), have begun to see their relationship with LGUs become more facilitative and enabling of LGUs own programming efforts, including the LGUs' own efforts to develop capacity.

A second motivator for change came from civil society organisations (CSOs) and NGOs, which demanded that local governments be more responsive, transparent and accountable. The Philippines has a long history of community organising, and the 'People Power' movements or 'Edsa revolutions' that overthrew President Marcos in 1986 and President Estrada in 2001 by mass peaceful public demonstrations were organised in part by powerful Philippine CSOs and NGOs demanding more transparent, accountable and less corrupt government at the national level. After these events, CSO and NGO umbrella groups encouraged their members to make similar demands at the local level. CSOs and NGOs, especially in some of the larger urban areas, began to put pressure on local governments for good governance, improved performance and increased public participation in local affairs. During the '10-10-10' celebrations marking the tenth anniversary of the Local Government Code in October 2001, CSOs and NGOs organised a series of events to draw public attention to the increase in CSO participation in local governance and the resulting benefits to communities since the enactment of the code, as well as to the barriers and challenges still being faced.

Increasing civil society participation in local governance required a shift in CSO and LGU thinking and approach. During the Edsa revolutions CSO and NGO relationships with government were adversarial. CSO members and government officials did not trust each other and had no experience in working together collaboratively. Many CSOs viewed local government officials as corrupt and many elected LGU officials saw CSOs as a threat to their leadership and power base. Both parties needed to develop the capacity to engage critically, cooperatively and productively with each other.

A number of organisations and institutions were created or strengthened to respond to the demand from LGUs, national government agencies and CSOs for LGU capacity development. The Local Government Academy, the training and research institute of DILG, was established to meet the demand for CD support by offering courses for newly elected local officials, organising CD training for DILG officers assigned to work in LGUs, and providing a variety of LGU resource materials. The Academy also coordinates and encourages local academic, training and research institutions that provide CD services to LGUs.

Since 1991 the local government sector in the Philippines has matured in response to decentralisation and devolution as set out in the Local Government Code. LGUs have made significant progress in contributing to the social and economic development of their localities through exercising the powers, performing the functions and delivering the services devolved to them. In October 2001, during the 10-10-10 celebrations, the DILG Secretary acknowledged the significant improvements that had occurred in local governments since the promulgation of the code and noted the many innovative efforts of LGUs to enhance their organisational capacities to perform their functions. At the same time he acknowledged that much still needed to be done to assist LGUs. Despite the significant number of success stories in various cities and municipalities throughout the country, the majority of Philippine LGUs continued to struggle to provide programmes and services that would reduce poverty and conflict, and promote peace, social well-being and economic development. In planning and carrying out their responsibilities, LGUs continue to be hampered by a number of constraints including inadequate capacity, insufficient resources and non-conducive national policies.

One of the most significant problems faced by local governments, especially the smaller ones, concerns finance - the generation of revenue and its effective management. There are still many concerns about the quality and accessibility of services delivered by local governments, and many LGUs are struggling to find sufficient resources to address their constituent's demands. By far the most significant source of local revenue, especially for smaller LGUs, is transfers from the national government, mostly in the form of internal revenue allotments (IRA). IRA-related issues include the uncertainty associated with IRA transfers given the

insecure national fiscal situation and inequities and distortions in distribution built into the IRA formula. Local government financial affairs are highly politicised and revenue and spending decisions are frequently taken to attract or deflect political attention. Fiscal management is also often hampered by the lack of adequate records or automated systems.

The non-conducive national policy environment stems from the fact that despite the efficacy of the Local Government Code, many national government departments directly or indirectly influence local government functioning. The decentralisation process has meant that in addition to the 'oversight' agencies such as the Departments of Finance, Budget and Management, and of the Interior and Local Government, several 'line' departments such as the Departments of Social Welfare, Agriculture, and Health direct how local governments disburse funds, deliver programmes and provide services. There are many instances where policies initiated by these departments contradict the Local Government Code. Several unsuccessful attempts have been made to initiate changes to the code, but to date the code and its implementation have not been formally reviewed or revised.

A final element of the external context in which local governments function in the Philippines is the ongoing armed conflict between the national government and rebel groups. This includes the NPA, a communist insurgency active in several regions, and the MILF, a Muslim separatist group active in most of Mindanao. About 30% of municipalities are affected by some degree of armed conflict.

Despite efforts by all levels of government, poverty in the Philippines is increasing. Both the percentage of the population deemed poor and the number of poor people who cannot afford to meet their basic food requirements have increased in recent years. At the same time, the Philippines has one of the highest population growth rates in the region. There are significant inequalities in the distribution of wealth and the incidence of poverty within the country. The majority of poor people live in rural areas where the incidence of poverty is 50%, compared with 34% nationally. The Gini coefficient is one of the highest in Asia at 0.4822, indicating a wide gap between upper and lower income groups. The poverty incidence also varies widely by region, with the poorest provinces being in Bicol and Mindanao. The

Autonomous Region in Muslim Mindanao has the highest incidence of poverty, at 60%, compared with only 6% in the national capital region.

Thus, local governments in the Philippines are challenged to address an increasing demand for public services within a context of poverty and conflict. They are hindered in their efforts by lack of capacity and resources as well as policy bottlenecks. Local governments themselves, as well as the national government and various other stakeholders, are attempting to address these challenges.

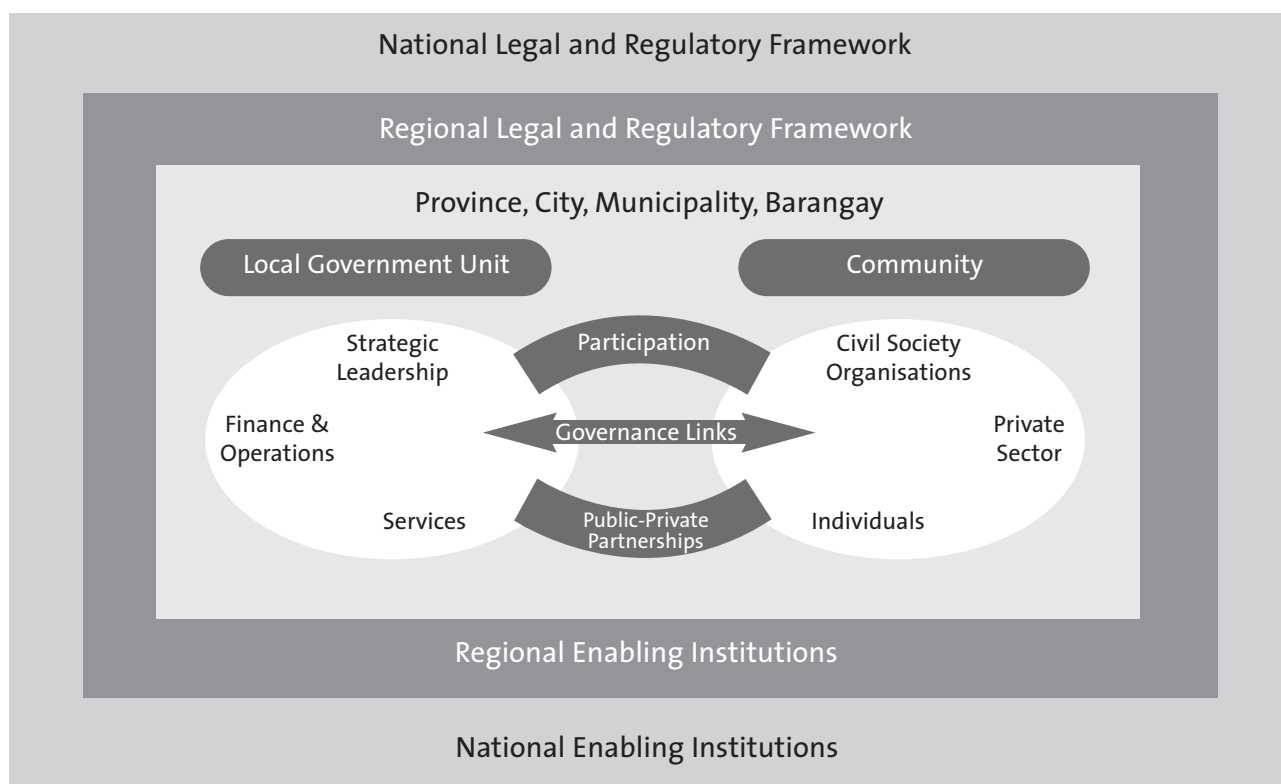
### 3 Stakeholders and systems

The local governance system and stakeholders are depicted in figure 1. Adapted by LGSP from the Federation of Canadian Municipalities' Municipal Governance Framework, it illustrates the various elements of the system in the Philippines. The framework describes an open system comprised of a governed area and two entities: the local government and the community. Stakeholders within local governments and communities communicate, cooperate and make choices through systems of relationships and mechanisms called 'governance links'. The local governments exist in a particular legal, regulatory and institutional environment (called the 'enabling environment') where DILG is a strategic actor.

There are also linkages between the local government and the community and the enabling environment. More specifically, key elements of the local governance system include:

**Local government units (LGUs).** These include the provincial, city, municipal and *barangay* governments. Stakeholders include local chief executives (provincial governors, city and municipal mayors and *barangay* captains) and other elected officials and staff of these LGUs who are responsible for carrying out four key functions: providing strategic leadership, managing finances and operations, providing services to the community for social and economic development and environmental protection, and promoting public participation in governance.

**Figure 1. Local governance framework in the Philippines.**  
 Adapted from Federation of Canadian Municipalities, 1997 (Carlton, 2000).



**Community.** Stakeholders include civil society, non-governmental and people's organisations, the private sector and individual citizens who, in a democratic society, play an important role in governance and in building and maintaining community well-being. Many Philippine communities also include traditional and alternative forms of local leadership such as religious councils, tribal elders, clan leaders, rebel group commanders, and senior military officers who wield considerable political power and are involved in local decision making.

**Governance links.** These represent the necessary participatory, equitable, responsive, culturally appropriate, accountable and transparent interactions between the government and the community to achieve mutually determined goals. These links include such things as local special bodies (mandated sector advisory boards), traditional and consultative mechanisms for participation, and public-private partnerships.

**Enabling environment.** Stakeholders include enabling institutions, such as regional and national government agencies, local government leagues (municipal associations), NGOs, peace networks, research centres, universities, training institutes, etc. An appropriate policy and regulatory framework to orchestrate, support and direct governance efforts towards a common agenda is a critical component of the enabling environment.

DILG has the mandated responsibility to provide general supervision over local governments, to promote local autonomy, to prepare legislation affecting local governments and to strengthen capabilities of local government officers and personnel. As such, DILG has been the most significant external stakeholder in influencing LGU capacity development.

Following the Local Government Congress in 2001, the DILG assistant secretary Austere Panadero, in collaboration with the Local Government Academy

and with support from UNDP and LGSP, undertook a serious review of LGU performance and CD needs. He began to develop a framework and strategies to conceptualise and enhance system capacity and ultimately improve performance. DILG identified several challenges confronting LGUs in their CD efforts:

- the need to continuously assist LGUs in enhancing their capacity as the challenges they are facing continue to grow and change;
- the lack of coherence and duplication among capacity building programmes of various donors and government agencies;
- uneven LGU development, with some LGUs and some areas of the country performing better than others;
- inadequate policies to support CD;
- inadequate performance measurement and standards for CD programmes;
- insufficient involvement of and coordination among local governance stakeholders; and
- their inability to sustain CD due to their limited understanding of the concept and the limited funds available.

DILG conducted research regarding LGU CD and performance management and has developed several programmes in response to the challenges. Led by Assistant Secretary Panadero, DILG developed the Local Governance Institutional Capacity Development (LOGIC) Facility to 'rationalise and direct institutional capacity building efforts in local governance and institute mechanisms towards sustained, responsive and progressive CD among key stakeholders in local governance'. Being involved in the development, implementation and review of the LGSP frameworks and programming helped DILG to articulate its own frameworks. The Facility, launched in 2003, focuses on enhancing the 'capacity development environment'. Rather than providing capacity building activities directly to LGUs, the Facility is designed to strengthen or establish mechanisms and systems that will improve the delivery and sustainability of CD efforts provided by a variety of actors.

The LOGIC Facility views the CD *environment* for local government as including '*enablers*' who steer and support CD providers and beneficiaries (national government agencies and local government leagues); '*providers*' who develop and deliver pro-

grammes and technical assistance in support of CD (academic institutions, NGOs, donor assisted projects); '*direct partners*' who manage, apply and utilise the capacities being developed and provide feedback to the providers and enablers (LGUs); and '*indirect partners*' who express their needs and priorities for governance change (civil society, people's organisations, citizens). The Facility is attempting to enhance the enabling environment for CD by working with all of these actors to: provide a clear and common local governance CD agenda; institutionalise an LGU performance and capacity tracking system; enact policies supportive of CD; develop a pool of resource persons and institutions to provide high-quality CD interventions; establish mechanisms that facilitate continuous learning and management of knowledge gained from good practices in local governance; and encourage avenues for more active participation of citizens in local governance.

To implement LOGIC, DILG has invited stakeholders, including leagues, NGOs, academic institutions and donors to become involved in a variety of ways, including through funding, research, joint projects, sharing of resources and provision of technical assistance. LGSP has supported DILG both in the overall conceptualisation of LOGIC as a mechanism for sector-wide coordination and strategic government leadership to orchestrate sector development, and by providing technical assistance to specific LOGIC components. LGSP also ensures that its CD activities are consistent with the LOGIC framework.

The LOGIC framework has given senior DILG officials a 'tool' to help themselves and others develop a common conceptualisation and approach to LGU capacity development (see box 1). The framework has allowed them to demonstrate their understanding of the issues and to take a more strategic leadership role in strengthening the sector, especially in dialogue with donors.

The communities themselves are also critical stakeholders within the system. Over time, observers have noticed a shift in the attitude of some LGU personnel in terms of their responsibility to their community. More LGU officials are concerned about what government 'should be' and make efforts to understand the needs and opinions of citizens.

**Box 1: A capacity development strategy as system self-awareness and empowerment: The DILG experience in the Philippines**

The Department of the Interior and Local Government (DILG) launched the Local Governance Institutional Capacity Development (LOGIC) Facility in 2003. The exercise of developing a 'framework' or 'system map' for local government development encouraged a sense of self-awareness within the local government system. It has also engaged key stakeholders such as national government agencies, NGOs, donors, academic institutions, civil society movements, and private suppliers.

To encourage this self-awareness and in turn, self-organisation, the LOGIC Facility attempted to provide a common capacity agenda for the system; to improve access to information through a monitoring and evaluation system; and to encourage learning and the exchange of experiences. Finally, it tried to facilitate the connections and relationships amongst system participants. Empowered with increased self-awareness and a tool for explaining the complexity of the system, DILG officials began to take a more active role in promoting strategic cohesion at the national government level and in coordinating external interventions.

As stated earlier, the Local Government Code had a profound effect on the evolution of and demand for CD. The executive director of DILG's Local Government Academy has noted a gradual shift in how national government agencies relate to LGUs - they have become more facilitative and enabling rather than regulatory. Many agencies are still uneasy with devolution, however, and national policy does not always keep pace with innovation at the local level, resulting in a policy bottleneck within the system. For example, some cities and municipalities are experimenting with alternative service delivery modalities such as joint ownership of utilities and public service enterprises with the private sector, but the national policy on such ventures is vague, making many LGUs hesitant to try such innovative alternatives. Other national policies, such as the recent Solid Waste Management Act, which was implemented without adequate consultation with LGUs, are unrealistic and cannot be implemented, leading to frustration and breakdowns in relationships between national government agencies and LGUs. Several of the new national laws contradict each other or the Local Government Code, and there is a need for omnibus legislation and a review of the code.

Such policy issues have an impact on CD in two ways. First, it is difficult for LGUs to enhance their capacity to meet the requirements of legislation when the legislation is contradictory, unrealistic or acts as a barrier to their mandate. Second, LGUs are put into a position, collectively, of needing to enhance their capacity to engage in the policy reform process so that they can advocate effectively for policy change.

One mayor commented that he and his staff now take more responsibility for the services that they are mandated to deliver. They hold consultations with citizens and try to address their concerns. He added that community participation is the only way to get acceptance of government programmes: 'Without community support you won't be assured of success. ... Before, people were not part of the planning process, projects were identified and prioritised by the municipal planning coordinator, there was no community participation and programmes were at the discretion of the mayor. We saw complete failure because they were not responsive to the community needs.'



## 4 Internal organisational features and resources

There are wide variations in the levels of capacity and performance among Philippine LGUs and vast differences in their approaches to, and understanding of, capacity development. Some LGUs have undertaken CD efforts on their own, or have taken advantage of the CD support offered by national government agencies and educational institutions. Others have been convinced to participate in CD projects or programmes, and some have done little or nothing to increase their capacity or improve their performance - not even acknowledging the need.

Within the local governance system in the Philippines, CD has traditionally been perceived as equivalent to 'training' or human resource development (HRD) and has not been linked to performance. Many agencies and institutions within the enabling environment have strived to expand stakeholders' understanding of CD to include organisational development (OD) as well as HRD. This expanded view of CD is widely held among professionals within educational institutions and senior government officials with DILG and within larger cities and municipalities. However, in smaller municipalities, CD is still frequently equated with training activities and formal education.

The conceptual framework for CD used by LGSP and LOGIC is an 'open systems' model that encompasses but is broader than HRD and OD. It considers CD as a complex process at various 'levels' within a system, for example at the local or micro level; at the provincial and regional or meso level; and at the sector, system, and national or macro level. It also considers the interconnections and linkages between the levels and among the stakeholders. At each level the surrounding level is perceived as an 'enabling environment' that can either 'enable' or 'disable' the individuals and organisations within it. Within this framework, capacity is an input to, or leads to, performance, and LGU performance is an input to, or leads to, local social and economic development.

Within the LGSP and LOGIC frameworks, LGU capacities are considered in relation to the people (e.g. elected officials, professional, technical and administrative staff), the organisation (e.g. department and staffing structure, information systems), the institution (e.g. policies, mechanisms for public dialogue) and social interactions (e.g. political parties, mayor-staff relations). Each local government is seen to operate within an enabling environment: a community of citizens, taxpayers, businesses, industry and community groups; provincial, regional and national oversight offices; a municipal association and other local governments; educational institutions with programmes in local governance or public administration; and a local cultural, ecological, economic and historical context. This enabling environment provides both the policy and regulatory framework within which the local government must operate, and the supporting organisations and institutions that can facilitate the local government's work and development. CD can be supported within each element of this complex system.

This broader concept of CD has been used in examining the internal organisational features that influence an LGU's approach to CD and its benefit from CD. LGSP staff found that there were significant variations in the response of LGUs to the external CD support offered by LGSP and other programmes. Some LGUs actively sought external assistance to address perceived capacity gaps, took advantage of available CD opportunities, participated eagerly in CD activities and benefited from CD as measured by capacity self-assessments and performance indicators. Others did not initiate or respond to CD activities or opportunities. LGSP assessments and analysis found that the evolution of capacity within LGUs was influenced by the relationship between certain internal conditions and factors, and the characteristics of the external assistance available. CD occurred most successfully in LGUs where internal conditions and factors included 'readiness' for or 'receptivity' to the process. External assistance was most effective when it supported LGUs over time, was well designed in response to the LGU's needs, used appropriate CD methodologies, and was integrated within the LGU's existing network and enabling environment. These characteristics of external assistance are described in section 7.

Within an LGU, a variety of organisational features were identified as 'indicators' of how ready it was to develop its own capacity and how receptive it was to external assistance to enhance its capacity and improve its performance. These 'readiness and receptivity conditions or criteria' were related to leadership, teamwork, community participation and peace and order (see box 2).

**Box 2: Readiness and receptivity for capacity development within local government units**

LGSP phase II worked with over 200 local government units in seven regions in the southern Philippines during the period 1999 to the present. Over time some local governments showed significant improvements in capacity and performance while others did not. Through observation and analysis LGSP staff were able to identify a set of conditions that were relatively reliable 'predictors' of success in facilitating development and change within the LGU. They developed a basic 'checklist' of conditions that indicated a rough sense of the readiness or absorptive capability of a local government for capacity development. This list was useful for assessing new LGUs joining LGSP, and was later used by Agriteam for assessing new LGUs in another CIDA project, the Local Governance Support Program in the Autonomous Region in Muslim Mindanao (LGSPA). These conditions included

- the level of interest and awareness of the mayor in local social and economic development;
- the level of internal teamwork between the mayor, the elected council and staff;
- the level of community involvement and participation in LGU affairs;
- the level of interconnections between the LGU and other LGUs involved in development and reform;
- the state of the security situation in the LGU; and
- the perception of LGU of the relevance of the external assistance offered.

About 20% of participating LGUs were rated as having a 'low' overall readiness. These LGUs required a very particular approach to supporting their capacity development that started with addressing these 'readiness' conditions.

Leadership within cities and municipalities is primarily provided by local chief executives, i.e. the mayors. LGSP found that the attitude and approach of the mayor was the single most important factor in determining an LGU's 'readiness and receptivity' to CD. Mayors in the Philippines are extremely influential, and frequently come from historically powerful political families. The terms of office of senior administrative staff within LGUs are co-terminus with that of the mayor, and they are heavily influenced by the mayor's position on issues affecting the municipality. Therefore, mayors who were interested in, and supported, CD caused others to take note of it. Mayors that demonstrated a developmental orientation and were open to innovation and change were much more likely to be interested in, and supportive of, CD than mayors concerned with political power and maintaining the status quo. Mayors who were well connected within a network of other government leaders, including other mayors and leaders from other levels of government, were also more likely to be interested in, and supportive of CD, as they tried to learn from, and replicate successful practices that they learned about from others.

Other local leaders who were able to influence an LGU's response to CD opportunities, although to a lesser extent than mayors, were vice-mayors, local government operations officers (DILG-appointed staff) and local planning and development coordinators. When these officials had good planning, management and human relations skills, CD activities were more likely to be supported and to lead to benefits in terms of HRD, OD and improved LGU performance.

Another influencing factor within an LGU was the quality of teamwork. In the Philippines, the mayor heads the executive and the vice-mayor chairs the elected council. In LGUs where the mayor and vice-mayor have a good working relationship there was much more overall support for CD. This happened mostly in LGUs where the mayor and vice-mayor were from the same political party, but was also evident in some municipalities where the mayor and vice-mayor were from opposing parties but had forged a relationship that allowed them to work together toward common goals and where the mayor made concerted effort to work collaboratively with the council and the captains from constituent *barangays*. Teamwork among LGU department heads, interdepartmental cooperation and a concerted

effort by the mayor to involve department heads and other staff in planning and decision making were also evident in the LGUs that were actively involved in CD. Again, the attitude and approach of the mayor in his/her willingness to share decision-making power and to consult with staff and colleagues were critical factors in the development of trusting and collaborative working relationships among staff. Trust and collaboration proved to be conducive to organisational development.

An LGU's motivation to undertake CD also seemed to be influenced by the level of community participation and consultation. LGUs that communicated frequently with constituents and invited the involvement of community groups, NGOs and the private sector in government decision making and service delivery seemed more interested in CD as a means to better fulfil their mandate and meet the needs of citizens. These LGUs had a relationship that was more cooperative than confrontational with civil society and business organisations. LGU officials that consulted with citizens became more aware of their needs and more committed to improving service delivery to meet those needs. They became interested in developing their own capacities, learning new skills, acquiring new technologies and adopting better systems so that they could contribute more to programmes that would benefit citizens.

Lastly, the peace and order situation in LGUs influenced their participation in CD activities. LGUs in a state of crisis due to armed conflict, large numbers of displaced people, and natural and man-made disasters were not in a position to participate meaningfully in sustainable CD initiatives. In parts of Mindanao, for example, armed conflict between Islamic separatist groups and the armed forces of the Philippines has continued sporadically for three decades. In these areas, LGUs' performance in delivering basic services is generally poorer than in the rest of the country, and their interest in CD is low. Local officials in these areas are frequently too overwhelmed with post-conflict challenges to think about capacity development, and lack of security and military rule makes normal government functioning and cooperative government - community interaction almost impossible.

In LGUs where these four organisational features (leadership, teamwork, community involvement and peace and order) were positive, external CD opportunities offered by the LGSP and other programmes

were maximised by the LGUs. For example, Mayor Davin of Magsaysay showed leadership in his first term of office and recognised the need to build the capacity of his LGU on two fronts - HRD for LGU staff and relationship building between the LGU and the community. He searched for local organisations to assist him in building these capacities but was only able to solicit support from DILG. According to the mayor, DILG's support was helpful but too general and not focused on his LGU's specific needs. The LGU did not have the resources to hire external consultants to provide technical assistance tailored to the local situation.

During his second term, Mayor Davin eagerly took advantage of the opportunity to participate in LGSP. He found LGSP CD initiatives to be high in technical quality, tailored to his LGU's needs, and helpful in empowering local people to become involved in government activities. The support that LGSP provided to the LGU in developing an 'executive agenda' that outlined the development priorities of the community over the three-year term of office helped to strengthen the existing teamwork and shared goals within the LGU and increased the level of community participation in governance. Magsaysay participated in LGSP-supported CD projects related to food security, financial management, management information systems, *barangay* governance, community participation, public economic enterprise management and agricultural extension. The LGU also undertook CD initiatives on its own related to the environment and solid waste management. The LGU has since won several national awards and its programme to bring government services closer to citizens in isolated *barangays* has been selected as an exemplary practice for replication in other LGUs.

LGUs that have been assisted by LGSP are more likely than non-assisted LGUs to identify the link between CD, improved LGU performance and better service delivery to the community. LGSP-assisted LGUs are also more likely to allocate LGU resources to CD, OD and HRD activities than non-assisted LGUs. The majority of non-assisted LGUs do not have formal staff development or HRD plans or CD plans.

Many newly elected mayors and vice-mayors have little experience with government, management or CD. Although they receive an orientation session from DILG's Local Government Academy, it is not enough to provide them with all of the knowledge

and skills that they need to manage the operations or the CD of their LGU, including their own professional development. Mayors that have an advantage are those that have a business or management background. These mayors bring with them a results-based approach that includes an interest in performance and capacity improvement.

The executive director of the Local Government Academy noted the emergence of a new crop of local government leaders in recent years. She frequently finds them to be younger, more development oriented, more open to new ideas and more genuinely interested in effecting change in their municipalities than the traditional leaders who were interested in patronage politics and kept all decision making to themselves. She attributes these positive changes to the evolution of leadership within communities and LGUs through the investments of years of training and capacity building efforts of the national government and donor agencies, the higher educational background of the new leaders and their broader exposure to outside systems and other ways of doing things. Newly elected mayors that have an opportunity early in their term of office to receive additional training and to interact with successful second and third-term mayors and mayors with a development orientation and business approach to government management are more likely to take an interest in, and be supportive of, CD than newly elected mayors who struggle in isolation in their early months.

Investments in local government leadership over the past few years have come from a variety of donor-funded programmes, including the long-term Canadian investment through LGSP, the USAID-funded GOLD and GEM projects, Asia Foundation programmes for good governance, the UNDP and AusAid facilities for local governance strengthening, and Asian Development Bank investments in local government. Training for local leaders as well as research in local governance have been provided by the schools of public administration and governance at the major Philippine universities. The Asian Institute of Management (AIM) in Manila provides leadership and good governance courses for elected local officials, and the Centre for Local and Regional Governance (CLRG) at the University of the Philippines in Quezon City provides academic leadership and conducts research related to local government and decentralisation. DILG relies on donor-assisted programmes and the academic institutions

when developing its own programmes and strategies for local government capacity building.

LGSP found that the enhancement of capacity was slower in LGUs where some or all of the four readiness conditions (leadership, teamwork, community involvement and security) were weak or absent. Such LGUs needed different types of CD interventions in order to help them prepare for intensive and comprehensive capacity building activities. The importance of gearing the external support to the existing internal conditions was emphasised by LGSP personnel. The approach recommended that external agents adopt the following strategies to develop 'readiness':

- Invest in the development of the mayor. Help the mayor gain an appreciation of the development challenges facing the LGU and inspire him or her to address them. This may be done through study tours to excellent LGUs with 'model' mayors; tapping development-oriented peers of the mayor who can influence and encourage him/her; exposing the mayor to examples of LGUs that have improved their performance through focused CD; and helping the mayor to see that 'good governance' is 'good politics'.
- Include comprehensive team-building activities during the consensus-building stage. Plan activities that will bring the mayor, the council and the LGU staff together for activities that are productive, enjoyable and that build working relationships among them. Be prepared to provide and model conflict resolution facilitation if necessary.
- Focus first initiatives around the interest of the mayor to gain his/her support. Develop rapport with the mayor and other staff and slowly introduce and advocate for capacity and performance improvements in good governance, cross-cutting themes, etc., as the relationships and trust develop.
- Work with civil society and the community towards positive interaction and cooperation with the LGU. Help build CSO capacity for dialogue and constructive advocacy so that the 'demand' side leads to LGU improvement rather than alienation. Encourage the CSOs to work with the LGU and support small joint undertakings. Tap traditional leaders to get involved in governance and work with NGOs to educate the citizenry about their role in governance.
- Ensure that early interventions lead to quick, observable benefits and 'small victories' so that the mayor and LGU officials experience success

and are motivated to participate in and support further CD activities. Local officials in the Philippines only have a three-year term of office. During this time they are scrutinised carefully and criticised harshly by their opponents. One election campaign seems to run into the next. Politicians investing in something new, such as capacity development, will need to demonstrate the benefits quickly in order to win and keep the support of staff, counsellors and citizens. If computer training and new computer software leads immediately to faster and more transparent processing of business licences and building permits, citizens are happy. If the same exercise also leads to increased licence and permit revenue for the municipality, LGU officials are happy. Such quick, observable benefits can make it easier to gain support for more complex organisational changes.

## 5 Capacities

As capacity development is often regarded as being equivalent to training or HRD, capacities are frequently perceived to be the skills, knowledge and attitudes of personnel and elected officials. In the Philippines, as elsewhere, there is little understanding of the notion of 'organisational capacities' or 'system capacities'. There is little consensus within the local governance sector about what organisational capacities are necessary or desirable in order for LGUs to perform their functions well or about how to measure the link between LGU capacity and performance. There is even less appreciation of the concept of system capacities, other than among some donor groups. However, LGSP attempted to identify and assess the components of the local governance system in order to plan and implement activities to strengthen system capacity and enhance the enabling environment for local governance. LGSP's efforts to develop system capacities are described in section 7.2.

Based on an analysis of the phase I of LGSP (1991-1998), during which more than 300 LGUs were assisted to develop their capacity, LGSP phase II staff identified four areas or clusters of capacities that appeared to be critical for improving LGU performance. These were: local government leadership and

management; service delivery; resource generation and management; and participatory governance. In each of these areas personnel and organisational capacities were identified and indicators selected to measure the level of capacity within each LGU. Performance indicators were also selected in each area to try to measure the impacts of increasing capacity on LGU performance.

*LGU personnel capacities* that were assessed and strengthened through LGSP activities included knowledge and skills in each of the four performance areas, for example knowledge and skills in management, planning, revenue collection and community consultation. Knowledge and skills related to cross-cutting themes such as gender equality, environmental sustainability and promoting community harmony were also assessed and measured.

*LGU organisational capacities* that were assessed and strengthened through LGSP included the plans, local legislation, systems, procedures, processes, structures and technologies required by the LGU to function effectively in each performance area, for example land use plans, fisheries ordinances, computerised accounting systems, transparent permit procedures, community advisory committees and procedures manuals. The application or implementation of personnel and organisational capacities in each area was supported and assessed through the measurement of LGU performance. Performance measures in each area included quality of plans, systems and structures, the level of effectiveness, e.g. the amount of revenue collected, number of programmes offered, percentage of households reached, level of citizen involvement, as well as the level of citizen satisfaction.

To measure changes in the capacities and performance of each partner LGU, LGSP developed a performance information system (PIS) consisting of 49 indicators, each with criteria or elements to help measure the indicator and give it a numeric value. The PIS was computerised and data about each of the 49 indicators entered twice per year from 2000 to 2005. This allowed the programme and its partners to track the progress of each LGU in developing its capacities in each performance area as well as the progress of the programme itself (by combining the progress of all 205 LGUs). The information about each LGU's capacity and progress was used by the LGUs and the LGSP staff to plan further capacity develop-

ment initiatives. The information was also shared with DILG so that they could also plan appropriate capacity development assistance for the LGSP-assisted LGUs and for other LGUs in the country.

DILG, through LOGIC and the Bureau of Local Government Supervision, has invested considerable resources in identifying the LGU organisational capacities that need to be in place in order for an LGU to perform well, and in developing a system to measure the LGU 'inputs', the resulting 'outputs' or performance, and, ultimately the long-term 'outcomes' or development impact of improved local

government performance. To this end, DILG developed the Local Productivity and Performance Measurement System in 1999 and revised it in 2003, with LGSP and ADB assistance, to become the Local Government Performance Measurement System (LGPMS). LGPMS includes five performance areas in which LGU inputs and outputs are measured: governance, administration, social services, economic development, and environmental management. The inputs in each service area describe the 'organisational capacity' that should be in place if the LGU is to be able to deliver the 'outputs' or government functions and services.

<b>Performance Area 1 : Governance</b>		
<i>Service area</i>	<i>Input or organisational capacity</i>	<i>Indicators</i>
1.1 Local legislation	Effective legislative mechanisms, systems and procedures	<ul style="list-style-type: none"> <li>• effective legislative agenda</li> <li>• effectiveness of legislative tracking system</li> </ul>
1.2 Transparency	Effective systems and mechanisms for making information available to citizens	<ul style="list-style-type: none"> <li>• presence of performance billboard</li> <li>• presence of public information office or desk</li> </ul>
1.3 Participation	Effective consultation mechanisms and systems for constituent participation	<ul style="list-style-type: none"> <li>• presence of CSO desk or other mechanism to support the development of local NGOs and POs</li> <li>• effective process to conduct independent surveys of citizen satisfaction</li> <li>• Quality of gender and development plan</li> </ul>
<b>Performance Area 2: Administration</b>		
2.1 Development planning	Effective structures, consultative mechanism, and tools to support development and land-use planning	<ul style="list-style-type: none"> <li>• effectiveness of local development council</li> <li>• adequacy of database to support local development planning</li> </ul>
2.2 Revenue generation	Viable plans, tools and systems for increasing LGU revenues	<ul style="list-style-type: none"> <li>• presence of comprehensive revenue generation plan</li> <li>• efficiency of system for real property tax assessment and collection</li> </ul>
2.3 Resource allocation and utilisation	Viable plans, tools and systems for budgeting	<ul style="list-style-type: none"> <li>• presence of executive budget approved within the budget calendar</li> <li>• percentage of departments maintaining a record of appropriations and expenditures</li> </ul>
2.4 Financial accountability	Effective guidelines, systems, and structures for accounting, internal control and procurement	<ul style="list-style-type: none"> <li>• quality of internal control system</li> <li>• effectiveness of financial management system</li> <li>• effectiveness of bids and awards committee</li> </ul>
2.5 Customer service	Customer-oriented administrative systems	<ul style="list-style-type: none"> <li>• effectiveness of customer service</li> <li>• streamlined civil application systems</li> </ul>
2.6 Human resource management and development	Effective structures, systems and programmes for managing and developing human resources	<ul style="list-style-type: none"> <li>• effectiveness of HRMD</li> <li>• quality of HR policies, plans and support materials</li> <li>• effectiveness of HR selection, appraisal and promotion system</li> </ul>

<b>Performance Area 3: Social Services</b>		
3.1 Health and nutrition	Appropriate structures, human resources and facilities to provide health and nutrition services	<ul style="list-style-type: none"> <li>effectiveness of local health board</li> <li>percentage of <i>barangays</i> with functioning <i>barangay</i> health centres</li> <li>ratio of public health workers to population</li> </ul>
3.2 Education	Appropriate structures, human resources and facilities to provide education services	<ul style="list-style-type: none"> <li>effectiveness of local school board</li> <li>percentage of <i>barangays</i> with functioning daycare and preschool centres</li> <li>ratio of elementary school teachers to pupils</li> <li>ratio of elementary school classrooms to pupils</li> <li>Quality of non-formal and extension programmes</li> </ul>
3.3 Housing	Effective structures and programmes to provide socialised housing and basic utilities	<ul style="list-style-type: none"> <li>Effectiveness of local housing board and housing task force or coordinating unit</li> <li>Quality of socialised housing program</li> </ul>
3.4 Peace, security and disaster preparedness	Effective structures and plans for peace and order, fire prevention and disaster preparedness services	<ul style="list-style-type: none"> <li>Effectiveness of local disaster coordinating council</li> <li>effectiveness of local peace and order council</li> <li>effectiveness of women's and children's desk</li> <li>quality of integrated area community public safety plan</li> </ul>
<b>Performance Area 4: Economic Development</b>		
4.1 Agriculture and fisheries development	Relevant policies, strategies, programmes, facilities and resources to support improvements in farming and fishing practices	<ul style="list-style-type: none"> <li>Presence of development activities to support improvement in farming and fishing practices</li> <li>quality of research and development facilities to support farmers and fisher folk to test and adopt new products, practices and technologies</li> <li>Quality of LGU support for farmers and fisher folk</li> </ul>
4.2 Enterprise, business and industry promotion	Effective policies, structures and resources to promote private sector investment	<ul style="list-style-type: none"> <li>Effectiveness of small and medium enterprise development council</li> <li>Presence of basic infrastructure and utilities in areas zoned for business and industry</li> <li>Quality of local investment incentives</li> </ul>
<b>Performance Area 5: Environmental Management</b>		
5.1 Natural resources management	Effective policies and programmes to protect, conserve and rehabilitate natural resources	<ul style="list-style-type: none"> <li>Quality of environmental legislation</li> <li>percentage of <i>barangays</i> reached by IEC conservation campaigns</li> <li>conservation and rehabilitation of mangroves</li> </ul>
5.2 Waste management and pollution control	Effective structures and programmes to manage waste and pollution	<ul style="list-style-type: none"> <li>Effectiveness of solid waste management board</li> <li>percentage of solid waste collected that is properly disposed of.</li> </ul>

The first two areas, governance and administration, can be considered 'core' or 'generic' capacities as they describe 'how' local governments work. The other three areas can be considered 'specific' or 'technical' capacities as they describe 'what' the local government does.

Although primarily a performance measurement system, LGPMS illustrates how system leaders in the Philippines conceptualise and categorise LGU organisational capacities. The LGPMS organisational capacities, or 'inputs' for each performance area, along with corresponding indicators are presented in table 1.

Each service area also has outputs and output indicators, as do the final three performance areas. The outcome indicators attempt to measure the impact of the LGU programmes and services on overall social and economic development in the municipality or city by measuring such things as crop yield or fish catch, percentage of malnourished children and infant mortality rate, percentage of households with potable water supply, and secondary school graduation rates.

The LGPMS is primarily a tool for LGU self-assessment. It forms part of an LGU management information system that provides data to LGU managers so that they can make better decisions. LGSP staff found that by providing LGUs with a self-assessment tool (the LGSP PIS, which was similar to LGPMS), LGUs became empowered to identify their own strengths and weaknesses, and to gather the information they need to plan ways to move forward, including areas in which they needed to develop their capacity.

LGSP staff initially found that LGUs had only a vague sense of their capacity building needs. Throughout the life of the programme, however, this changed. Staff found a significant difference between LGSP-assisted and non-assisted LGUs in terms of their capacity assessments. LGSP-assisted LGUs were much more likely to identify capacities they wanted to strengthen that cut across all government functions and services such as 'participatory planning' and 'community involvement', whereas non-assisted LGUs were more likely to identify capacities related to specific sectors such as health or livelihood assistance. This difference seemed to arise as LGSP-assisted LGUs discovered that skills learned and strategies used in one area could readily be applied or generalised to another.

## 6 Endogenous organisational change and adaptation

As stated earlier, organisational change is usually a function of internal and external factors. The rate and scope of change within an LGU are functions of the social, political and economic context; pressures and support from within the enabling environment; and various internal organisational features. Overall, however, the *process* of change seems to be similar. LGSP staff found it useful to describe LGU organisational change and adaptation as a dynamic four-stage developmental process.

Organisational change within LGUs is viewed broadly as a CD process that takes place over time, each step or stage building on the one before, and the steps repeating themselves in a cyclical, upwardly spiralling manner in response to internal and external influences. Cycles in different parts of the organisation occur simultaneously and go through the process at different rates. Results, or milestones, can be identified with each stage of this developmental process:

- *Consensus*: increased agreement among LGU stakeholders about the need to enhance capacity in order to improve governance and/or performance; and about what capacities and whose capacities to develop.
- *Strengthening capacities*: strengthened individual and organisational capacities - personnel competencies and organisational processes, structures and systems.
- *Application*: improved application of strengthened capacities; improved implementation of processes, structures, and systems to improve performance.
- *Institutionalisation*: regulatory support for new systems; culture of continuous improvement internalised; increased ability of the enabling environment to support and sustain CD.

LGSP analysis found that CD efforts that did not follow the four stages did not result in sustained organisational change or adaptation. LGU and DILG officials and other local governance experts cited many examples of 'one-off' training activities and uncoor-



minated and externally driven CD initiatives that did not result in any significant or sustainable change in the way LGUs functioned or operated. Researchers heard numerous stories of new skills, new plans and new technologies that were acquired but never put to use within the LGUs.

The LGSP implementation strategy emphasised the importance of facilitating and coaching participating LGUs through the CD stages to ensure that CD initiatives would lead to sustainable change. Assistance was provided on an 'as-needed' basis. Only LGUs that requested assistance from LGSP and indicated their willingness to participate actively in their own development process were provided with direct technical assistance. LGSP felt that it was important that participation be voluntary as a precondition for Stage 1 - consensus about the need for change began with the LGU coming forward. It also was in keeping with the LGSP concept of capacity development that includes empowering LGUs to manage their own development, so respect for LGUs' own decisions was practised from the beginning of the programme.

### 6.1 Stage 1: consensus

The first step in the process is for LGUs to assess their CD and institutional strengthening needs and to come to consensus on organisational development priorities and a plan for change. This may be a comprehensive plan for the whole LGU or a small plan for a department or unit. For LGSP, this key stage included an assessment and analysis using an informal 'appreciative inquiry' approach that provided baseline data on the performance and existing capacity of the LGU (both strengths and weaknesses), and provided the information on which further CD interventions were planned. The appreciative inquiry approach was introduced informally by coaching the LGSP staff to ensure that assessments focused on what LGUs were doing well, not just on what was 'wrong' so that officials did not become discouraged, or 'lose face' in front of their peers and staff, when confronted with the many weaknesses of their organisation. Rather, LGSP staff members were coached to help LGUs believe that if some things were going well, then the LGU had the untapped capability to do other things well. The extent to which the appreciative inquiry approach was actually used varied among staff members.

This process was directly linked to the development and implementation of an executive agenda (EA) in each LGU that identified the development priorities for the LGU during the three-year term of office of elected officials. LGSP assisted each LGU to develop its EA in a participatory way involving staff and community stakeholders not only to ensure community consensus about LGU priorities, but to encourage LGUs to 'own' their municipal development plans as well as their CD plans. Each LGU's plan for CD was prepared to guide the enhancement of skills, systems, policies, plans and mechanisms most needed to carry out its mandate and fulfil its three-year EA.

Regardless of the scope of a CD initiative or activity, without early consensus among stakeholders about the why, what, who and how of CD, there is little hope that it will have the support, or meet the needs, of the organisation.

### 6.2 Stage 2: strengthening capacities

The second stage was to put the CD plan(s) into action by carrying out capacity strengthening activities such as human resource development, skills training, introduction of new systems and technologies, and improvements in policies and procedures. In LGSP, CD activities strengthened the administrative capacity of LGUs as well as the competencies required to function as effective governing bodies, public entrepreneurs, managers of change, and advocates for peace, gender equality, social equity and sustainable development. A key component of stage 2 was human resource development to enhance the skills of elected officials and LGU staff in order to ensure the availability of appropriate and sustainable leadership, managerial, technical and professional expertise within LGUs. Local service providers were frequently engaged to provide technical expertise and to coordinate CD activities. Much of the technical expertise was provided through technical exchanges and peer coaching from colleagues in other cities and municipalities in the Philippines and in Canada.

Another important element of stage 2 involved the strengthening of participatory mechanisms such as local development councils, health boards, education boards, and peace and order councils. LGSP activities were implemented to strengthen community-based structures and people's organisations, and to improve communication and linkages between these mechanisms and government officials.

An important element of this stage is choosing appropriate CD methodologies. Many capacity-strengthening activities fail because they rely on traditional training methods instead of appropriate adult learning methodologies, or plan training sessions even when the capacity gap is related to organisational structures and not personnel competencies.

### 6.3 Stage 3: application

The third stage of the CD process is the application of new skills and systems to local government work so that staff, elected officials and LGUs can achieve their change objectives. LGSP assisted LGUs to use their new or enhanced skills, systems and procedures to implement new development programmes and to improve the delivery of services. Pilot and demonstration projects were supported in many LGUs in order to develop models of effective local governance that could be replicated from *barangay* to *barangay* and in other LGUs throughout the Philippines.

LGSP programme officers played a critical role during stage 3 by providing on-site mentoring to LGUs and other partners to help them apply new capacities, implement new plans and programmes, and monitor and evaluate progress. LGSP developed manuals and tools to support the systematic documentation, dissemination and replication of exemplary practices in local governance and collaborated with DILG and the leagues of cities and municipalities to implement a pilot national replication programme.

In order for CD to be applied and institutionalised, there must be linkages between individual and organisational capacities. For example, it is vital to be aware of how individual personnel capacity building is supported by organisational and institutional commitment. Many CD initiatives do not result in organisational change and adaptation because they do not provide support beyond stage 2. In many cases, training, study tours, planning sessions and new technologies are provided without any follow-up support to ensure that they can be applied on-the-job, or modified and further strengthened or adjusted as necessary. Frequently personnel and organisations need assistance to lobby senior officials or oversight agencies for authorisation or resources to use new capacities to bring about change.

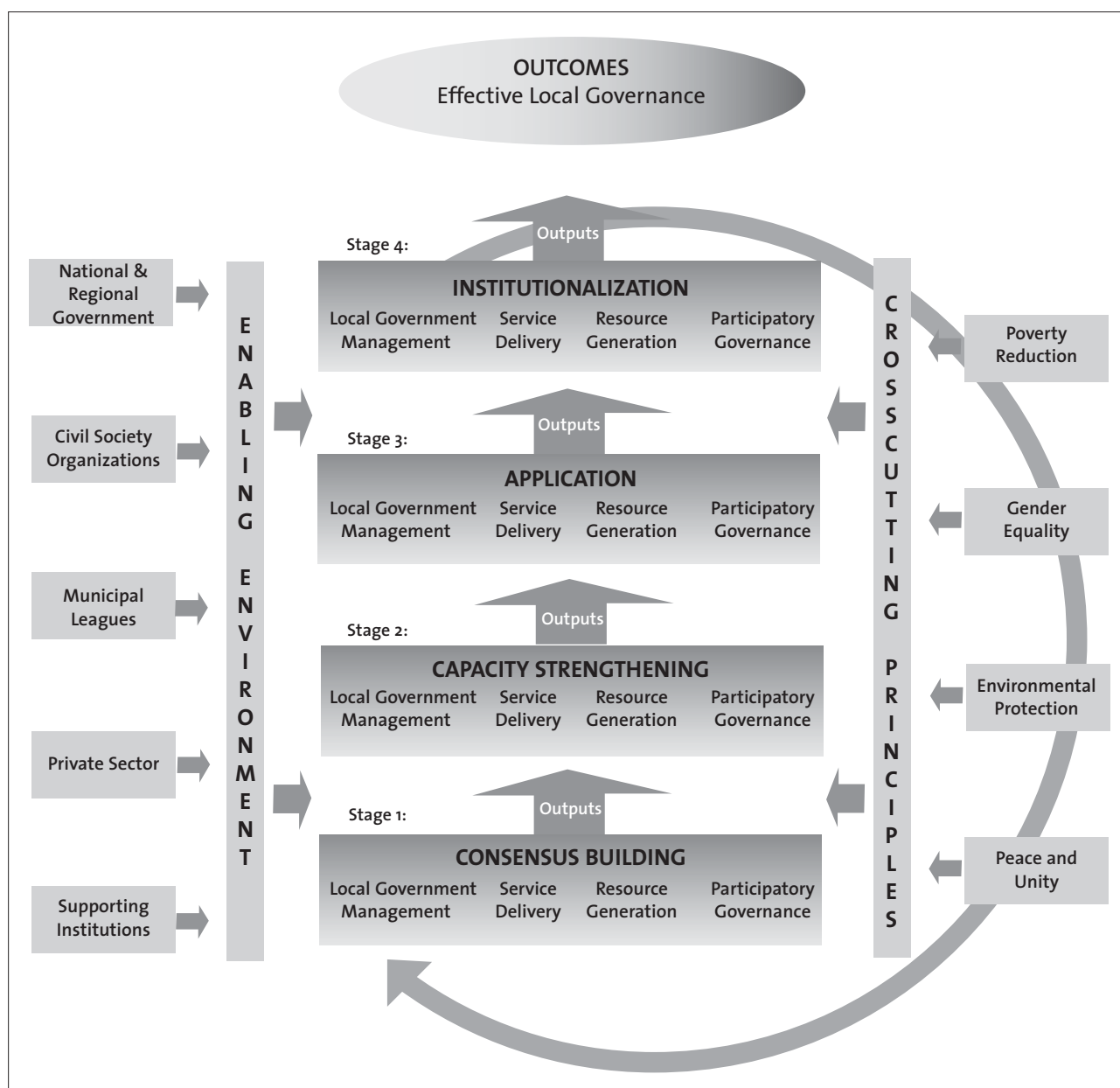
### 6.4 Stage 4: institutionalisation

The final stage in the process is to institutionalise new processes and to internalise the process of CD itself. As LGSP draws to a conclusion it anticipates that many LGUs will have created an endogenous culture of continuous improvement and will have systems in place to elicit client feedback and to respond to the need for their own further development. LGSP staff supported LGUs to internalise institutional improvements through local ordinances or other formalisation procedures, and to establish participatory mechanisms for continuous assessment and improvement.

As part of the programme's sustainability strategy, LGSP staff helped each participating LGU host a 'recognition conference' that presented a report on the improvements in the LGU's capacity and performance over the life of the programme and acknowledged individual and LGU accomplishments. The conferences have been successful in helping to institutionalise changes and motivate newly elected and re-elected officials to continue to strive to improve government functioning and to develop the capacity they need in order to do so. They lead to consensus about next steps to continue progress, allowing the cyclical process to start again, with each cycle of capacity development experience ideally leading to increasing levels of capacity and performance. One LGSP study found that the community played a key role in institutionalisation. As citizens and community groups became accustomed to decent levels of LGU service and to certain opportunities for civic participation, they began to expect, and demand, more. Thus they contributed to the capacity development spiral - citizen demand, consultation and assessment, consensus building, planning for change, capacity development, performance improvement, citizen benefit, citizen demand ... .

It is often difficult to measure whether or not CD initiatives have resulted in sustainable organisational change and adaptation because it takes a long time for LGUs to reach this final stage. Few external agents supporting CD, whether donors, national government agencies or academic institutions, assess or evaluate the effectiveness of their interventions over long time frames. For example, it may take several years to observe whether or not an LGU is able to adapt a new system on its own in response to changing circumstances within the community.

Figure 2. LGSP capacity development (4x4x4) framework



LGSP uses the following diagram (figure 2) to illustrate its programming framework. The programme supports the CD process through all four stages in each of the four capacity areas. It also integrates four cross-cutting themes and involves the enabling environment at each stage and in each capacity area. The circling arrow denotes the repetitive, cyclical, or spiralling nature of the process. The process, in reality, is not smooth, nor is it frequently visible to outsiders without keen observation. Different departments and projects within an LGU

will be at different stages of the cycle simultaneously. For example, consensus on the need to improve property tax collection may not have been reached when new skills and technologies for solid waste management are already being implemented.

LGSP found the framework most helpful when training its own staff and other external capacity development facilitators. It did not become a 'template' that forced a standard capacity development strategy or

plan on every local government unit. Rather, it provided a conceptual guide for LGSP staff that helped them keep the principles of sustainable capacity development in mind as they worked. It reminded them that in every interaction with partners to start with 'consensus building' to ensure that all the key players agree on what is to be done and why, and to ensure that local governments take ownership of the capacity development process, believing the external interventions to be based on their needs and not the priorities of the donor or other external agent. The framework also reminds staff that providing new skills or systems is not going to result in change until they are applied, implemented and internalised, and that effective external intervention will support partners to overcome barriers to application, implementation and internalisation. The framework also helped staff to remember and to describe to others how important cross-cutting issues such as gender equality needed to be considered at various steps in the process. The framework became a tool for LGSP to help ensure that its role continued to be one of accompanying an LGU on its journey of endogenous change, rather than leading or directing change from outside.

The framework, therefore, helped LGSP staff and partners to design capacity development support that incorporated and respected the concepts highlighted in the programme's approach by presenting them in a one-page 'snapshot', informally referred to as the '4x4x4 framework'.

Researchers noted that LGSP-assisted LGUs realised the need for continuous learning within their LGU. They recognised that capacity building was an ongoing process in which the development of certain capacities gives rise to the emergence of the need for further CD, and the four-stage cycle of capacity development repeats itself in an upwardly expanding spiral.

According to several mayors, LGUs were already tapping outside sources of assistance for capacity building before joining LGSP. It was fairly common for mayors that had identified the need to improve the way the LGU worked or delivered services to seek outside assistance. The greatest constraint that they faced was limited financial resources to pay for the services. In addition, many commented that they did not know how to find appropriate external assistance. They were unaware of which donor agencies,

educational institutions and NGOs provided technical assistance to LGUs, and did not know how to approach them. They also noted that the assistance they received often did not meet their needs.

LGSP was able to assist these mayors in a number of ways. The programme provided the LGUs with a resource kit listing potential service providers and resource partners, helped them to identify the most critical and strategic areas in which to focus CD efforts and to find appropriate service providers, and paid for some of the initial technical assistance. In many cases, the relationships that were developed between the LGU and local agencies providing technical assistance continued well beyond the assistance provided by LGSP, with the LGU picking up the costs of the service provider when LGSP funding ended. Strengthening an LGU's 'network' and ability to network was an important part of LGSP's capacity development strategy. Formal networking events were planned as part of the programme, and opportunities for informal networking were consciously built into the design of others.

Some LGUs did find innovative ways to improve their LGUs on their own. Some initiated internal activities such as local contests and school programmes that got local people together to share their expertise with each other and LGU personnel and to join together to implement improvement projects. It was widely recognised that there was limited capacity within the enabling environment to document, disseminate and support replication of locally initiated innovative and exemplary practices with other LGUs in the country. LGSP addressed this by working with DILG, the League of Municipalities and the League of Cities of the Philippines to establish mechanisms and simple systematic procedures for replication.

LGUs have also been successful in increasing their own capacity to perform more effectively by entering into associations or alliances with other LGUs. Neighbouring LGUs that formed agreements to work together on issues of joint concern were able to pool their resources to address the issues. One such alliance involved several LGUs establishing a coordinating unit to share equipment, funds and technical personal for the maintenance of farm to market roads. According to one mayor, the LGUs were able to identify their respective strengths and weaknesses and find ways to complement each other. Collectively they became more effective at leveraging external

resources to help fund the coordinating unit's activities. This cooperative practice has been successfully replicated in several other LGU alliances following the LGSP replication methodology.

According to LGSP area managers, the impact of the systematic replication methodology on LGUs' capacity has been significant. When LGUs hear about how to make changes from another LGU, rather than from a training organisation, it is easier for them to believe and understand. When they visit the 'host' or demonstration LGU and see the results of what has been done with their own eyes, they are much more likely to be able to plan and carry out similar change in their own LGU, especially if the host LGU provides follow-up advice and support.

As stated earlier, LGSP found the mayor to be the key factor in organisational change. Mayors with a 'development' perspective were much more likely to initiate and support capacity development efforts within their LGU. This support from the mayor, however, did not grow out of an interest in capacity development *per se*, but rather from an interest in or a passion for change. In the Philippines, some local leaders have a vision of a brighter future, a desire for better health care, a wish for less poverty, or a yearning for peace that motivates them to do a better job. These mayors believe that local governments can make a difference in people's lives and set out to make sure their LGU officials provide the best services possible. When they realise that some officials, some services or some departments are not functioning or performing effectively they look for ways to improve. Frequently they see staff training as a means to increase effectiveness, and then, when exposed to a broader view of capacity development that includes staff, organisational and institutional development, become keen to develop and pursue a capacity development agenda.

Of course, not many mayors are motivated by purely altruistic goals. However they are encouraged by Filipino religious and political leaders who promote 'righteous leadership' as a duty of good Christian and Muslim leaders. Many admit that they are learning that 'good development equals good politics' - in other words, programmes that help citizens also help politicians get re-elected. LGSP found that in LGUs without a development-oriented mayor, there was little interest in helping people, and hence little interest in doing a good job, resulting in little inter-

est in developing organisational capacity to do things differently. External incentives, even financial ones, would not entice a disinterested mayor to embark upon a sustained capacity development programme as 'old-style' patronage politics was sufficiently lucrative. The strategy suggested by LGSP for such mayors was to provide opportunities for them to interact as much as possible with development-oriented mayors and other leaders with the expectation that some of them will learn to see their role and responsibility differently.

## 7 External intervention

Many LGUs have sought external assistance for CD, and others have been included in capacity building exercises imposed upon them by others. As discussed earlier, the effectiveness of the external interventions has depended upon the interaction of the characteristics and quality of the external intervention with the characteristics and readiness of the LGU. LGSP is widely viewed as one of the most successful programmes in providing external support to LGUs.

LGSP is the most extensive donor-assisted programme supporting CD for local governance in the Philippines. It is a collaborative effort of CIDA, the Philippines National Economic and Development Authority (NEDA) and DILG. The programme has been implemented in two phases, phase I, from 1991 to 1998, and phase II, beginning in 1999 and scheduled to be completed in June 2006. Total funding for both phases is approximately CDN\$60 million. The goal of LGSP is to assist the government of the Philippines in realising its objectives of equitable growth and poverty reduction through effective local governance with stakeholder participation. The programme supported more than 300 LGUs in phase I with the number reduced to 208 LGUs in phase II. LGSP Phase II focused on developing capacities in four outcome areas that are aligned with the four key features of the Local Government Code. The phase II target outcomes are: (i) more efficient and effective local government leadership and management; (ii) enhanced access to and improved quality of services, especially for poor and disadvantaged groups; (iii) more equitable, efficient, transparent and sustainable generation and utilisation of resources; and (iv)

more effective and equitable participation by individuals, the private sector and civil society organisations in local governance.

Fundamental to LGSP is the belief and assumption that local governments play a strong role in fostering equity, security, inclusiveness and collaboration for sustainable social and economic development and poverty reduction in communities in the Philippines. To be effective in fulfilling these roles, local governments must work in collaboration with a wide variety of community groups, NGOs and the private sector. To be sustainable, they need to be supported by a well functioning regional administration and national government agencies and other supporting institutions.

Phase I of LGSP was managed locally with oversight provided by the Canadian Embassy in Manila. It was implemented initially in three administrative regions in the southern Philippines and then expanded to include all six regions in Mindanao as well as the region of Western Visayas. These regions were targeted because of their high rates of poverty and ongoing conflict between rebel groups and the Armed Forces of the Philippines. Within each region an LGSP regional management committee was established under the regional development council, chaired by NEDA (the government of the Philippines mechanism to coordinate development planning and programming at the regional level). Each management committee hired a coordinator and was assigned a locally hired CIDA advisor to manage the implementation of CD activities. Anchored in the regional development councils, the programme responded to regional thrusts and worked with cities and municipalities selected by the councils, resulting in a very strong sense of local ownership. A mid-term evaluation of phase I recommended more coordination among the seven regional sub-programmes to increase effectiveness, efficiency and sustainability. An LGSP National Programme Management Office (NPMO) was established in 1996 to create synergy within the programme, streamline management functions, and to improve results. Phase II was designed to build on the achievements and lessons learned in phase I, and to incorporate more comprehensive strategies for CD, results-based management, replication and sustainability.

Phase II of LGSP is being implemented by Agriteam Canada Consulting Ltd, in association with the

Federation of Canadian Municipalities (FCM). Contracted by CIDA as an executing agency, Agriteam has assigned a programme director and employs a team of Canadian and Filipino management, CD and governance specialists to implement the programme in the field. The professional and technical Filipino staff from LGSP phase I were kept on to provide continuity and to ensure that the knowledge and expertise gained from implementing LGSP I would be applied to phase II. Direction setting, quality control, monitoring, assessment and reporting are managed from the National Programme Management Office in Manila, but the majority of the CD activities continue to be planned and implemented by the regional LGSP offices in order to be responsive and accessible to the partner local governments.

In phase II the programme works with 185 municipal and city governments and 22 provincial governments across the seven selected regions (roughly 10% of the cities and municipalities in the country). LGSP managers, advisors and programme officers meet with LGU officials to identify and design specific sub-projects that will meet the LGU's priority CD needs. Sub-projects are frequently subcontracted in whole or in part to local experts, organisations and institutions referred to as local resource partners (LRPs). Sub-project activities are coordinated by a combination of LGU and LGSP officials and results are assessed collectively by LRP, LGU and LGSP staff. Sub-projects frequently involve the participation of civil society and business groups, and include activities to develop the capacities of community and private sector organisations to participate effectively in local governance.

The programme works closely with DILG at the national, regional and local levels, as well as with the regional government of the ARMM, and with two national leagues of LGUs. These partners are viewed as the key players within the enabling environment for local governance in the Philippines. They have a critical role to play in the dissemination, replication and sustainability of exemplary practices in local governance and in local government CD. DILG, as the national agency mandated to support LGU CD, has been strategically involved in LGSP since its inception. It chairs the programme steering committee that oversees programme and provides strategic direction and policy guidance to the programme. LGSP staff collaborate directly with DILG personnel in

programme implementation, regularly consulting DILG representatives at all levels. DILG also participates as a programme partner to develop its own capacity to assist LGUs and to provide national leadership within the local governance sector.

### 7.1 LGSP success factors

There are several unique features of LGSP that have made it successful in promoting and facilitating local government CD in the Philippines.

- 1 ***The programme's size, scope and longevity*** have allowed it to test, evaluate, document, refine and replicate good practices in local government CD both within and beyond programme-assisted regions. Begun in 1991, extended in 1999 with a second phase to 2006, and replicated by a sister programme, LGSPA, that will last until 2010, the programme represents a 20-year commitment on behalf of CIDA to local governance strengthening in the Philippines. This long-term programme has allowed Canadians and Filipinos to develop a relationship of respect and trust and knowledge about each other's approach to local governance and capacity development. Filipinos within the local governance system understand LGSP and know how, as an external agent, it can assist them to meet their own goals.
- 2 ***The programme's use of in-depth system analysis and the development of comprehensive frameworks*** have been used to guide management, CD practices and good governance principles. Programme managers and staff have extensive expertise in programme management, capacity development and local governance gained through work and study in the Philippines and internationally. The '4x4x4' CD framework and extensive performance information system and related resource materials and tools have not only guided project staff and partners in how they go about their work, but have influenced government agencies and NGOs in the way they conceptualise and support local government CD and performance improvement throughout the Philippines. The programme's in-depth understanding of local governance capacity development led to the development and use of effective CD strategies and knowledge products.
- 3 ***The programme's use of appropriate and innovative delivery methodologies*** that go far beyond the traditional training sessions that so often characterise CD assistance programmes. The programme relies on techniques such as peer-to-peer exchanges and on-site coaching to provide context-appropriate and cost-effective support. Learning experiences are designed to incorporate adult education methodologies that promote active learning and learning-by-doing. LGSP provided training and professional development to its LRPs - the local individuals and organisations that it subcontracted to deliver capacity building activities - to ensure that they were able to provide high-quality experiences. LGSP staff ensured that capacity building experiences and materials integrated cross-cutting themes, and were culturally appropriate.
- 4 ***The programme's embeddedness within local, regional and national CD efforts*** ensures local ownership. From the fortunate historical beginning of phase I when programme management was under the direction of government of Philippines officials, to phase II where the management team has ensured that the programme activities are in support of the development priorities of the partner LGUs, DILG and the nation, LGSP has been perceived as a 'donor-assisted' but not a 'donor-driven' programme. LGSP phase II has worked alongside DILG and local resource institutions to respond to each LGU's unique situation and to support and assist LGUs to comprehensively assess and identify their own priorities and to develop and measure changes in their own capacity, performance and ultimately the benefits to constituents. It has attempted to do this in ways that are culturally appropriate and locally sustainable.

Mid-term and annual assessments of LGSP have found that in LGUs with high levels of readiness, the CD projects supported by LGSP have helped the LGUs to significantly enhance their capacities (knowledge, skills, systems, plans, procedures, technologies, etc.) and to use them to deliver more and better services to their constituents and to perform their functions more efficiently and effectively. The CD strategy employed by LGSP where the highest degree of change was observed had the following characteristics:

*Responsive to the LGU's priority needs.* The CD projects are based upon the LGU's requests and upon the LGU's assessment of its own most pressing needs. The interventions are not imposed by LGSP or oversight agencies.

*LGU-led.* The CD projects are supported by the mayor and each project has its own 'champion' within the LGU who takes responsibility to drive the initiative and facilitate its integration into the LGU mainstream. Small LGUs with limited human and financial resources are not burdened with more projects or activities than they have the capacity to manage.

*Staged sequence and logical frameworks.* CD initiatives follow the LGSP four-stage process: consensus building, capacity building, capacity application, and institutionalisation. Interventions are shaped by the LGSP frameworks such as those for local government capacity, local economic development, local agricultural development and public economic enterprise development and management. Capacity needs in the areas of local government leadership and management and participatory governance are typically addressed before needs in service delivery and resource generation and management. This ensures that these later initiatives are well planned and managed and that they involve citizens in all steps. The executive agenda (EA) process at the beginning of the programme built the foundation for all further interventions. In many cases the participatory governance initiatives allowed LGSP staff to interact at the local level, helping to build rapport between LGSP and the LGU at all levels.

*High-quality technical assistance.* The benefit to the LGU depends in large part on the quality of the training, coaching and resource materials delivered within the CD initiatives. The elements of quality include technical expertise, CD process expertise, appropriate adult education methodologies, and the frequency and length of support. Successful CD interventions were those where the LRPs and the LGSP staff provided both technical skills and knowledge, and expertise in transferring them to others, where they maintained the support over a sufficient length of time (several years) and followed up with on-site coaching at regular intervals (especially frequent visits from the programme officer), and where the LRP and LGSP staff had a cooperative working relationship. The appropriate methodologies included on-site coaching, peer-to-peer exchanges, supported replication,

relationship building, and local knowledge creation and dissemination.

*Strengthened networks and linkages.* CD projects provide LGUs with structured opportunities to form or strengthen mutually beneficial relationships with other LGUs, other levels of government, community groups, NGOs, donors, financial institutions, and the private sector. Significant benefits resulted from informal LGU clustering, alliance strengthening, replication project relationships, joint NGO-LGU and business-LGU service delivery ventures and increased CSO involvement in non-mandated local special bodies and advisory committees.

As support to each LGU was individualised based on needs, interest and readiness, there was not a common set of LGSP sub-projects provided to all LGUs. However, analysis of the LGUs that have achieved the target outcomes of LGSP, identified the existence of some commonalities. All high-performing LGUs participated in at least one project in each LGSP outcome area, and projects to develop local LGU leadership and management and participatory governance usually preceded projects in other outcome areas. However, as many of the LGUs in LGSP II were also involved in LGSP I, a definitive pattern of intervention is difficult to establish. The 'minimum' interventions in high-achieving LGUs appeared to be:

- support to develop an executive agenda or medium-term strategic plan for the LGU using a participatory methodology and highlighting the LGU's priority issues;
- assistance to reconstitute mandated local special bodies ensuring the participation of civil society groups;
- assistance to develop a comprehensive land use plan where one did not already exist;
- support for community consultation to carry out priority LGU projects (such as *barangay* governance, local legislation consultation, or community-based initiatives in tourism, shelter, water, peace, health, etc.);
- assistance to improve management information systems, usually through computerisation of financial and/or administrative systems;
- assistance to improve net revenue generation in the LGU usually through increasing tax collection and business licensing and permit efficiency and/or through the more efficient operation of public enterprises;



- assistance to mobilise resources from sources external to the LGU including from donors, NGOs, financial institutions and national government agencies;
- assistance to improve the delivery of services in at least two areas identified as priorities by the LGU. In most cases this included at least one project related to environmental protection and management (waste, coastal resources, watersheds, etc.), and at least one related to the delivery of social and economic development services (shelter, potable water, health, livelihoods, agricultural extension and peace building); and
- support to coordinate and create synergy among the various projects within the LGU (both LGSP projects and projects supported by others).

The programme reports the following key results within the participating LGUs.

- 1 **Improved planning and decision making.** This is evidenced by LGUs having more required plans in place, developing the plans in a more consultative manner with staff and constituents, setting development priorities that are achievable and that meet priority community needs, and moving more plans into action with task forces and monitoring groups.

LGSP assisted each LGU through a participatory process to formulate an 'executive agenda' based on a comprehensive development plan and setting out the development priorities for the three-year term of office of local officials. One mayor stated, 'our executive agenda is our roadmap for development; it reflects the cooperation of our people translated into realisable projects ...'

One municipal planning and development coordinator noted that 'LGUs are now able to formulate an EA that prioritises the real community priorities ... before LGSP, people were not part of the planning process. Projects were at the caprice of the mayor. We saw complete failures because they were not responsive to community needs ... with LGSP the local special bodies have been reactivated and there is also the Federation of CSOs ... the LGU now solicits their involvement. Now we [the staff] enjoy working with the mayor - before we were not part of planning and now it feels like we are'.

- 2 **Increased participation of citizenry, community groups, NGOs and the private sector in governance.** Reports note more public consultation events, improved government communications, more civil society organisations (CSOs) and business representatives serving on government advisory bodies and more joint service delivery agreements between government, community groups and the private sector.

One LGSP local resource partner noted that greater community involvement in LGSP-assisted LGUs has instilled a shift in the thinking of the constituents, from being passive recipients of LGU services to being active participants in setting the course of the LGU.

- 3 **Improved delivery of services in priority areas.** This is evident from the number of LGUs that have initiated and implemented such things as low-cost housing projects, potable water systems, improved agricultural extension services, natural resource protection and rehabilitation projects, solid waste management systems, and employment generation (livelihood support) schemes.

At a meeting of a newly established municipal vegetable and livestock trading centre community members expressed their satisfaction with the LGU's improved ability to provide agricultural support services. Farmers were sent for training in vegetable production and the LGU established a demonstration farm for the farmers to put technical training into practice. Farmers shared their expertise with other farmers and now the *barangay* produces enough vegetables to sell their surplus in a nearby city. The municipality has recently signed a memorandum of agreement delegating the management of the trading centre to the farmers' cooperative.

LGSP has assisted 134 LGUs to complete shelter plans. Over 1000 low-cost housing units have been completed and many more are under construction and in the planning stages in participating LGUs.

- 4 **Increased ability to generate revenue and mobilise resources.** Of particular note is the number of LGUs that have been able to use their well formulated development plans and priority agendas to attract and secure funding and assistance from

national government agencies, NGOs, donors and financial institutions. In addition, LGUs have entered into alliances with neighbouring LGUs to pool limited resources and have been able to increase internal revenues from taxation and licensing by updating and automating systems. One mayor commented, 'LGSP has taught us how to tap foreign assistance. LGSP has a list of potential resource partners and the EA identified people's priorities so we could make proposals'. A representative of a local institution providing technical assistance to LGUs described LGSP's work as 'social preparation', exposing LGUs and communities to new models and global experiences. 'It is now easier for other projects to go to LGUs that have been prepared by LGSP.'

A municipal planning and development coordinator noted that improving participatory governance has resulted in more effective service delivery and revenue generation. 'The community people are now paying taxes because of the services that are now delivered to them ... some people are now paying their delinquent taxes because they feel like they are getting something in return. The community also contributes money and manpower to delivery of the services.'

- 5 Increased appreciation and capacity for capacity development.** Reports have consistently noted the increased appreciation and understanding of the importance of capacity and performance assessment, the link between capacity and performance, and the importance of CD as a strategy to improve performance for more effective governance.

LGSP-assisted LGUs were more likely to link their CD plans and activities to the LGU goals and action plans (demand-driven), whereas non-assisted LGUs were more likely to randomly access any available CD opportunities (supply driven). Case study field researchers wrote that most non-assisted LGUs do not see the value or use of performance assessment. LGSP was able to show that performance measurement benefits the LGU because it serves as an input to development planning and the allocation of resources to improve service delivery and respond to the needs of the constituents. Among the LGSP-assisted LGUs there has been a conscious effort to conduct regular assessments of their performance *vis-à-vis*

the priorities that were outlined in their EA. 'Filling up the performance measurement [forms] became a group effort and not the task of a single individual. This way the results are shared by key individuals in the LGU and they have a clear picture of where they are in terms of the goals they set for themselves. They also build consensus on the assessment and on how to move forward.'

Several mayors and LGU officials spoke of their increased confidence in their ability to identify and address their own challenges. The systematic assessment and development processes used to develop the LGU's executive agenda and CD plans, and the improvements and successes achieved, seems to have empowered LGU officials to tackle more complex issues.

## 7.2 Enabling environment - meso and macro level results

Reports and assessments have also noted the results of LGSP at the meso and macro levels within the organisations, institutions and policy context that form the 'enabling environment' for LGUs. LGSP's CD framework and sustainability strategy include significant emphasis on the importance of the enabling environment for local governance in ensuring that excellence in local government continues to be promoted and maintained in the long term. This macro-level environment for local government includes LGU oversight, CD agents, the policies and regulations pertaining to local governments, fiscal support for local government and inter-governmental relations. A key actor within this macro-local government system is DILG, although it also includes other national government departments and line agencies, the various LGU leagues, academic and research institutions, policy makers, donors, the private sector and civil society organisations. Roughly 70% of LGSP resources were allocated to supporting LGU CD and 30% to enhancing the enabling environment.

LGSP has focused its work within the enabling environment on four key groups: DILG (and DILG-ARMM), local resource partners (individuals, institutions and organisations contracted to provide technical assistance to LGUs), CSO umbrella groups and LGU leagues. It has also initiated and supported efforts towards donor coordination.

DILG has a complex and multi-faceted role in external interventions for local governance capacity development. At the same time as DILG is providing system-wide leadership and capacity development support to LGUs, it is itself evolving and developing. As the national agency mandated to provide LGU oversight and development, DILG provides external capacity building interventions for LGUs both through its officers at local, regional and national levels and through the Local Government Academy. At the same time, DILG has embarked on an endogenous capacity development process of its own, and is the beneficiary of external capacity development assistance provided by various international networks and donor-assisted projects including LGSP.

Over the past decade DILG has pursued a number of critical organisational changes, described to a certain extent in the LOGIC framework. It has attempted to shift the emphasis of its investments from oversight to development, spending less effort on enforcing LGU compliance to rules and regulations and more effort on supporting LGU development and promoting good local governance. It has modified the role of the Local Government Academy from a provider of training and capacity building to a coordinator of capacity development assistance and provider of resources. It has attempted to provide better information about LGU capacity and performance to LGUs, the department and other stakeholders through the improvement of the LGPMS, and better support for the replication of good practices through the Governance Facility for Adaptation and Replication of Exemplary Practice (GoFAR). It has undertaken a strategic organisational review, modified job descriptions, produced a variety of LGU resource material, developed a website, set up regional good governance resource centres and established a policy unit to support local government policy analysis and development.

In relation to LGSP, DILG has also had a multi-faceted role - as a director of programming, as a partner in programme delivery and as a beneficiary of programme capacity development support. DILG provided critical direction and leadership to the programme as the chair of the LGSP programme steering committee and through the active involvement of a DILG assistant secretary and other senior staff in planning and decision making. DILG has also partnered in the delivery of LGSP capacity development activities at national, regional and local levels, with

the DILG regional directors chairing or co-chairing regional programme steering committees and being actively involved in encouraging and enabling LGUs to participate in the programme. DILG operations officers based in LGUs were critical partners in programme delivery at LGU level, both as participants in the capacity building activities and as agents of sustainability. The Local Government Academy was a partner in the design and delivery of several major LGSP initiatives during which it was both a beneficiary of technical assistance provided by LGSP resource people and a provider of technical assistance to regional and provincial resource partners.

LGSP assisted DILG at the national level to strengthen its capacity to provide system-wide leadership within the local government system and to orchestrate and support CD programming for LGUs nationally. It provided this support directly to DILG initiatives such as LGPMS, GoFAR, the national dissemination of the Executive and Legislative Agenda (ELA) process, the strategic organisational review, the establishment of regional good governance resource centres. It also provided support indirectly through discussions, joint programme planning and sharing of ideas, lessons learned and knowledge products (manuals, training modules, guide books and resource kits).

LGSP's assistance to the Local Government Academy (LGA) helped to improve the quality of its courses and programmes by providing several train-the-trainer programmes with expertise provided by the Canadian Local Government Leadership Institute. Programmes focused on increasing LGA's capacity in training design and in delivering programmes that will help DILG officials become more effective mentors, coaches and facilitators of LGU development. This increased capacity has allowed LGA to play a key role in implementing DILG's strategic shift from a focus on LGU supervision to a focus on assisting LGU development.

The need for support to LGUs in their capacity and organisational development efforts will continue past the life of LGSP. LGSP's strategy of working with partners, and assisting LGUs to develop alliances, linkages and networks, will ensure that LGUs have a variety of partners on whom they can rely for assistance when needed, but without becoming dependent on them. Several LGU alliance councils and their project management offices that have been strengthened by LGSP will continue to support LGU

development in the future. LGSP has assisted 85 local resource partners (LRPs) to develop their capacity to offer effective training and technical assistance to LGUs. LGSP workshops for LRPs have helped them improve their capabilities in coaching and facilitation, good governance, results-based project management, mainstreaming gender equality and environment, poverty reduction planning, peace building and peace and conflict impact assessment. After LGSP assistance was completed, many LGUs have contracted LRPs on their own to continue to provide technical assistance and capacity building services and to assist them to replicate successful LGU practices.

## 8 Performance

The causal linkages between interventions to support CD and increased capacity, and between increased capacity and improved performance are more difficult to measure than to conceptualise. Performance is affected by multiple factors unrelated to capacity, and changes in performance and resulting client benefits may take years to observe. In the 1980s DILG developed and implemented its first Local Productivity and Performance Measurement System (LPPMS), which provided annual information about LGU service delivery capacities and limitations. In the late 1990s the system was revised and revitalised as a 'self-assessment system' for LGUs to help them identify problem service delivery areas, take corrective actions and detect the extent of improvements. The system provided useful information in some cases, but suffered from two important limitations. First, the technical elements of the system were not sophisticated enough to allow LGU or DILG officials to tabulate and manipulate the data for the purposes of research and analysis so the system was rarely used as a tool for strategic decision making. Second, implementation focused primarily on compliance, not benefits, and the information was used to create an LGU 'scorecard' rather than to guide investment in CD and performance enhancement.

Being involved in the development and use of the LGSP performance information system helped DILG to rethink and conceptualise its own system. With LGSP and ADB support, DILG refined the LPPMS to create a comprehensive Local Government

Performance Measurement System (LGPMS). The system provides a framework as well as tools to measure the performance of LGUs in carrying out their mandate and in demonstrating the principals of good governance, and guidelines for the effective use of the information by LGU and DILG officials. LGSP assisted DILG to increase LGU participation in the development, testing and refinement of the system. The process to develop LGPMS has also facilitated the implementation of LOGIC as the links between the two frameworks became increasingly clear.

LGPMS measures two performance areas related to how LGUs carry out their functions (governance and administration) and three performance areas related to the delivery of services (social services, economic development and environmental management). Each performance area is divided into service areas with indicators for inputs, outputs and outcomes. The inputs refer to the systems, structures, tools, plans and human resources required within LGUs to achieve the outputs and outcomes; in other words, the organisational capacity required to effectively perform the functions and carry out the responsibilities of an LGU. The outputs refer to the quality, quantity, relevance, effectiveness and efficiency of the actions that the LGU actually takes; in other words, the LGU's level of performance in carrying out its responsibilities. The outcomes refer to the impact of the LGU's decisions and services on its constituents; in other words, the social and economic wellbeing of the citizens.

The LGPMS is a self-assessment tool that assists LGUs to identify their performance strengths and gaps and to identify priority areas in which to improve. Thus it helps LGUs define their capacity strengths and weaknesses. As a national monitoring system, it provides DILG with information about service and performance areas in which it may wish to focus CD support through its own programming and by bringing areas of need to the attention of the other CD 'enablers' and 'providers' as set out in LOGIC.

Extensive user manuals and tools for data collection, input, reporting and analysis have been developed. DILG field-tested LGPMS in selected LGUs in 2004, modified and then launched the programme nationally in 2005. The implementation required a comprehensive communication campaign to help LGUs understand the system and its usefulness. Prior to LGPMS most LGUs did not assess their strengths, weaknesses, capacities and performance related to

general concepts such as 'good governance'. They were more likely to identify specific needs such as health services or revenue generation as areas in which they needed to improve their capacity and performance. However, several key leaders within DILG, encouraged by donor representatives (LGSP, ADB, UNDP) and by the President's Office (good governance and anti-corruption advocates), were instrumental in ensuring that the performance areas of 'governance' and 'administration' were included along with indicators for transparency, accountability and participation.

Developing the tool was a time-consuming process that included consultation with DILG staff, other government departments, donors, academic experts, and representatives from the leagues of cities and municipalities. Every stakeholder had interests in different data, and the first list of proposed measures had over 1400 indicators! The DILG whittled the number down by trying to focus on elements of LGU capacity (inputs) and performance (outputs) that would most likely contribute to the attainment of national goals for poverty reduction and economic growth as set out in the Government of the Philippines Medium-term Development Plan. They also discarded indicators that they considered too subjective or difficult and costly to measure. The resulting LGPMS provides management information for both individual LGUs to assess their own strengths and weaknesses, plan improvements and measure change over time, and for DILG as an oversight agency.

The LGPMS provides DILG with a tool for monitoring and evaluation. DILG staff involved with LGU oversight can use LGPMS reports to identify how LGUs are performing in relation to standards and benchmarks and how their levels of capacity and performance are changing over time. DILG staff involved in LGU development can analyse the reports to identify areas in which individual LGUs or groups of LGUs need development assistance and to identify individual LGUs or groups of LGUs that are performing exceptionally well and may be able to provide models of exemplary practice for documentation and replication. Whether or not DILG and other local governance leaders and researchers make use of the system information to inform capacity development, investment and policy decisions in the future is yet to be seen.

The process to develop the system tools provided an opportunity to strengthen the overall local gover-

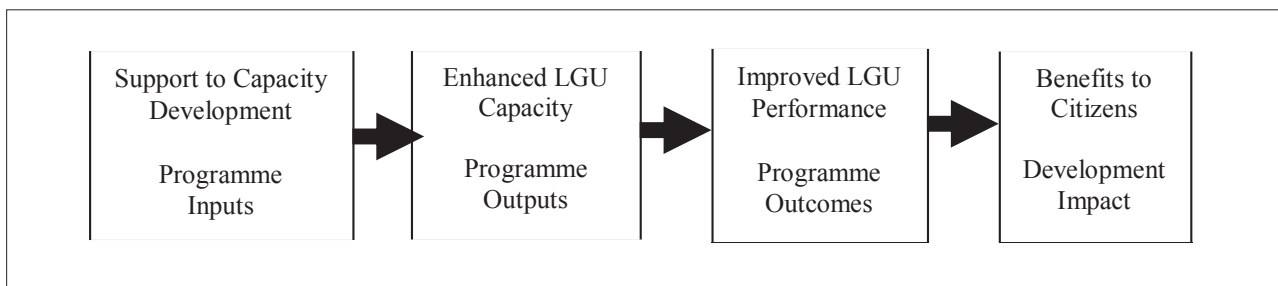
nance system, as it helped DILG forge stronger relationships with leagues and donors working in the local governance 'sector' and helped stakeholders come to consensus on what capacities LGUs needed and what realistic performance standards should be. At the Philippine Development Forum annual meeting in 2004, bilateral donors agreed to work with DILG to finalise the LGPMS and to use 2005 national data for planning and monitoring their aid programmes for local governance. Some non-bilateral donors are yet to support this consolidated effort and continue to use their own measures of LGU capacity.

The refinement of the LGPMS was influenced to a certain extent by LGSP. At the beginning of phase II, LGSP staff developed a comprehensive performance measurement framework and performance information system to help measure the results of LGSP activities and to modify programme strategies and activities based on successful projects and practices. When developing the system, LGSP managers and staff recognised the opportunity to create a system that would not only measure the performance of LGSP but could contribute to the achievement of programme outcomes by developing the capacity of LGUs and other partners in performance measurement and management, a key competency identified within the outcome area of 'local government leadership and management'. Using expertise provided by Agriteam and FCM, as well as LGSP Filipino staff and DILG, LGSP developed a performance information system (PIS) that included 49 output indicators (with over 300 elements or sub-indicators to assist assessment) that measured LGU capacity and outputs in all four LGSP outcome areas, and all four cross-cutting themes. Many of the LGSP indicators and assessment elements were taken directly from DILG's LPPMS.

Several benefits ensued from the inclusion of LPPMS data in the LGSP system. First, by integrating LGUs' own LPPMS data into LGSP reports it emphasised the importance and validity of self-assessment to LGU officials and lent credibility to LGSP progress reports at the LGU level. Second, by using tabulated LPPMS data along with LGSP data in various types of analytical reports, LGSP was able to demonstrate the usefulness of performance data in system analysis and programme planning. As a result, DILG invited LGSP to assist it with the development of LGPMS.

Assistant Secretary Austere Panadero of DILG has stated that LGSP has provided an approach to CD

Figure 3. LGSP results chain



that DILG finds useful: 'The approach is participatory and includes measurement of performance through indicators and a database. This gives before and after snapshots of the LGU and is a useful tool for planning and assessment'. He felt that the LGSP approach to performance management had helped clarify the link between capacity building and performance which contributed to DILG's framework for LGPMS.

LGSP programme officers stated that the delivery of capacity building had been successful because it had been translated into outcome-level impact when the LGUs eventually adopted practices and systems that allowed them to govern better. They provided many specific examples of how the basic LGSP results chain (see figure 3) was realised in different sectors. For example, they cited CD for solid waste management that included the facilitation of orientations, study tours, training, public consultations, the development of a solid waste management plan, the adoption of new solid waste systems and technologies, resulting ultimately in a reduction in the amount of uncollected garbage in several municipalities.

The LGPMS structure follows the same basic logic of LGU inputs (organisational capacities) leading to outputs (organisational performance) leading to outcomes (development benefit). As LGPMS is now being implemented in several hundred local governments in the Philippines, it provides an exciting opportunity to examine the causal linkages and analyse the relationships between LGU capacities, performance and development impact. Analysis may well show that some capacities thought to be necessary for performance are not prerequisites at all. It may also show that a small, key set of indicators is sufficient to monitor performance. LGSP, in its final year of operation, will assist DILG and other system stakeholders to undertake such analysis.

Anecdotal reporting by LGSP partners and staff clearly links increased capacity to improved performance. One municipal planning and development coordinator commented that 'after the capacity building for community-based tourism we're now seeing results. We're very impressed with the new community tourism sites and the way the tourism guides have developed and are gaining confidence in facilitating community tours. Before they were insecure - now they are proud of their *barangays*. Now we have a good tourism plan, outlining how to manage community-based tourism. Before we had a plan but nothing happened. It was top-down planning and our motivation was compliance. Now that we are aware of how much the community needs this, we are motivated by the urgency and we push for change. This understanding came through the learning during actual community consultation and community involvement in planning facilitated by LGSP'.

Several mayors commented on the role of constituents in performance management. They agreed that when constituents hold government accountable and demand participation in governance, local officials are forced to make efforts to do a better job. A leader of a local NGO agreed, saying that 'the involvement of civil society organisation is critical. They will make noise if the mayor backslides or if the LGU administration does not respond to their needs'.

Some LGUs have noted an increase in tax payments that they attribute to public acknowledgement that better services are now being delivered. Some believed that even delinquent taxes were being paid because people felt like they were now getting something from the government in return for their tax payments. These LGUs felt that the improvement in service delivery was a result of performance and capacity improvements initiated by the LGU.

There appears to be public recognition of the improved performance of LGUs resulting from CD. In LGSP-assisted LGUs there is less political opposition to the mayors as the people seem to be satisfied with them. In the local government elections in May 2004, of the mayors running for re-election in the regions supported by LGSP, 78% of incumbent mayors were re-elected in LGSP-assisted LGUs compared to 58% of incumbent mayors in non-assisted LGUs.

One mayor summed up his attitude about the link between capacity building, LGU performance and development as follows: 'No one is motivated to go to a training programme in order to build capacity; people are motivated to change because of their vision for a brighter future'.

## 9 Conclusion

This case study describes a process of endogenous capacity development and change that has taken place over the past 13 years within local government units in the Philippines. It illustrates the influence of a changing social and political context and accompanying major national policy change - the enactment of the Local Government Code - on the demand for capacity development both within the LGUs themselves and within the local governance system and enabling environment.

The case suggests that the development of capacity in LGUs and the related improvements in their performance are functions of the relationship between features internal to the LGU with the features of external interventions. It recognises the significant role played by LGU leaders and community stakeholders in LGUs' approach to CD.

The concept of CD presented in the study is an open systems model that considers CD as an ongoing cyclical process occurring at various levels within the system and including strengthening of the linkages between the levels. The staged process includes consensus about the need for change, learning and capacity strengthening activities, application of enhanced capacity to improve performance, institutionalisation of organisational changes and then analysis and further consensus about addition needs

for change - the cycle repeating itself throughout the life of an organisation.

Endogenous capacity development occurs in contexts where the social, political and economic context is conducive to change. External support can be effective in facilitating and enhancing the CD process when it is geared to the specific internal conditions of organisations and when it helps them function more effectively within their institutional and systemic environment. The Philippines-Canada Local Government Support Program was presented as an example of a programme that was effective in providing external CD support to endogenous change within local governments in the Philippines. The keys to LGSP's success include:

- *Broad scope and longevity.* LGSP worked with a critical mass of local government units in the country (more than 200 LGUs, representing over 10% of the cities and municipalities in the country) and has lasted for 16 years.
- *Extensive knowledge and analysis of capacity development, local governance and programme management.* LGSP, especially in phase II, developed and used comprehensive frameworks, strategies and tools to train staff and provide the best possible CD assistance while ensuring local ownership.
- *Use of appropriate and innovative CD support methodologies.* LGSP developed and trained staff and sub-contractors to use methods beyond typical training to facilitate change, including such things as on-site-coaching, peer-to-peer learning, and facilitated replication.
- *Embeddedness within local, regional and national LGU CD efforts.* LGSP tried to ensure that all of its activities supported the endogenous efforts of the LGUs themselves, as well as those of DILG and other partners, thus ensuring local ownership and increasing the likelihood of sustainability.

## Appendix: List of Interviewees

Mayor Arthur D. Davin, Municipal Mayor, Magsaysay, Davao del Sur  
Mayor Peter Melchor Arches, Municipal Mayor, Bansalan, Davao del Sur  
Mayor Ernesto Templonuevo, Municipal Mayor, Numancia, Aklan  
Mayor Raymar Reblado, Municipal Mayor, Kalibo, Aklan  
Mr Clementino Daydayan, Municipal Planning and Development Coordinator, Magsaysay, Davao del Sur  
Mr Joel Bulangkit, Municipal Local Government Operations Officer, Magsaysay, Davao del Sur  
Ms Rosario Moreno, Municipal Accountant, Bansalan, Davao del Sur  
Mr Arnel Gallardo, Council Member, Bansalan, Davao del Sur  
Mr Narciso Batingal, Municipal Engineer, Bansalan, Davao del Sur  
Ms Amor Amploquio, Municipal Planning and Development Coordinator, Bansalan, Davao del Sur  
Mr Fuller Mationg, Municipal Local Government Operations Officer, Numancia, Aklan  
Mr Rosendo Briones, Municipal Planning and Development Coordinator, Numancia, Aklan  
Farmers' Cooperative Members, Magsaysay, Davao del Sur  
Mr Austere Panadero, Assistant Secretary, Department of the Interior and Local Government  
Ms Marivel Sacendoncillo, Executive Director, Local Governance Academy  
Ms Liza del Norte, Project Coordinator, Institute for Primary Health Care, Davao Medical School Foundation  
Ms Monique Villanueva, Associate Consultant, MINPHIL Consultants  
Ms Connie Pabalan, Development Academy of the Philippines  
Ms Luz Rodriguez, Executive Director, Galing Pook Foundation  
Mr Rod Sollesta, National Economic and Development Authority  
Ms Victoria Maglana, Programme Officer, LGSP  
Ms Gloria Adapon, Programme Officer, LGSP  
Ms Divina Lopez, CSO Advisor, LGSP  
Ms Teresita Gajo, Area Manager, LGSP  
Atty. Evelyn Camposano-Jiz Area Manager, LGSP  
Mr Rizalino Barandino, Programme Officer, LGSP  
Ms Fe Salcedo, Programme Officer, LGSP  
Ms Marion Maceda-Villanueva, Field Programme Manager, LGSP  
Mr Basile Gilbert, Governance Advisor, LGSP  
Ms Myn Garcia, Communications Advisor, LGSP



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