

# REPUBLIC OF THE PHILIPPINES **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**DILG-NAPOLCOM Center

EDSA corner Quezon Avenue, West Triangle, Quezon City Telephone Nos. 925.03.54 • Telefax 927.78.52 • O.D. 929.92.35 WWW.DILG.GOV.PH

### BUREAU OF LOCAL GOVERNMENT DEVELOPMENT

### Performance Challenge Fund (PCF)

2<sup>nd</sup> Quarter Progress Report for CY 2015

### Summary:

The Department of the Interior and Local Government (DILG) has been implementing the Performance Challenge Fund (PCF) since 2010. Essentially, PCF aims to recognize good governance performance among LGUs and foster the alignment of the local development initiatives with the national goals and priorities. It further encourages LGUs to put a premium on performance in order for them to avail of the financial subsidy they could use to jumpstart and sustain projects that geared towards the achievement of the Millennium Development Goals, Maintain Core Road Network to boost tourism and local economic development, comply with the Ecological Solid Waste Management Act of 2000, comply with the Philippine Disaster Risk Reduction Management Act of 2010 and promote transparency and accountability in all government transactions.

For more than 5 years of implementation, starting from its pilot stage during 2010 up to the current Calendar Year of 2015, the Bureau of Local Government Development (BLGD) thru its Project Management Team has been implementing and monitoring more than two thousand PCF-funded projects nationwide. A total of two thousand sixty-eight (2068) approved PCF projects were registered in the PCF Portal (pcf.dilg.gov.ph) as of 15 June 2015. Out of the two thousand sixty-eight (2068) PCF projects, there are one thousand seven hundred forty-nine (1749) completed projects, one-hundred sixty-four (164) projects that are still on-going and one hundred fifty-five (155) projects which are still pending and complying on the documentary requirements of PCF. (See Table 3)

For the category of the projects as to Millennium Development Goal (MDG), Local Economic Development (LED), Environmental Solid Waste Management (ESWM) and Disaster Risk Reduction Management (DRRM), there are six hundred ninety-seven (697) MDG projects, one thousand forty (1040) LED projects, two hundred thirty (230) ESWM projects and one hundred one (101) DRRM projects. (See Table 4 and Fig. 1)

Moreover, the 2015 Performance Challenge Fund (PCF) amounting to <u>ONE BILLION</u> <u>PESOS (P1, 000, 000, 000.00)</u> has not been fully utilized. The official awarding ceremony of the 2015 Seal of Good Local Governance (SGLG) awardees are yet to be scheduled, thus pending the release of the PCF subsidies for these qualified LGUs. The incentive which will be given to them

has also been scaled up from P1 million into three P3 million for Municipalities, P3 million into P5 million for Cities and same P7 million for Provinces.

Furthermore, it has been elucidated as well in our previous report that we are going to subsidize the 248 1st class LGUs (28 provinces, 27 cities and 193 municipalities) who are consistent GFH passers for two consecutive assessment years (2012 SGH and 2014 SGLG-GFH) through the PCF 2014 amounting to FOUR HUNDRED SEVENTY MILLION (P470, 000 ,000 .00) PESOS. Hence, a memorandum was issued informing our DILG Regional Offices about the Sub-allotment Release Order (SARO) of the Performance Challenge Fund (PCF) as subsidy to the qualified recipient LGUs, broken down in Table 1. The request sub-allotment was charged against Special Allotment Release Order (SARO-BMB-D-15-0003826) dated March 30, 2015 for the Performance Based Challenge Fund for Local Government Units per FY 2014 GAA, RA 10633.

Table 1

Region	No. Provinces	Amount at P7M for Province	No. of Cities	Amount at P3M per Cities	No. of Mun.	Amount at P1M per cities	TOTAL LGU	TOTAL PCF COST
I	4	28,000,000.00	0	-	26	26,000,000.00	30	54,000,000.00
II	1	7,000,000.00	1	3,000,000.00	17	17,000,000.00	19	27,000,000.00
III	2	14,000,000.00	3	9,000,000.00	12	12,000,000.00	17	35,000,000.00
IV-A	4	28,000,000.00	9	27,000,000.00	36	36,000,000.00	49	91,000,000.00
IV-B	2	14,000,000.00	1	3,000,000.00	11	11,000,000.00	14	28,000,000.00
CAR	0	-	1	3,000,000.00	6	6,000,000.00	7	9,000,000.00
٧	1	7,000,000.00	0	-	7	7,000,000.00	8	14,000,000.00
VI	3	21,000,000.00	3	9,000,000.00	10	10,000,000.00	16	40,000,000.00
VII	3	21,000,000.00	1	3,000,000.00	6	6,000,000.00	10	30,000,000.00
VIII	0	-	0	-	0	-	0	-
IX	1	7,000,000.00	1	3,000,000.00	2	2,000,000.00	4	12,000,000.00
Х	0	-	0	-	11	11,000,000.00	11	11,000,000.00
ΧI	3	21,000,000.00	1	3,000,000.00	12	12,000,000.00	16	36,000,000.00
XII	2	14,000,000.00	1	3,000,000.00	26	26,000,000.00	29	43,000,000.00
XIII	2	14,000,000.00	1	3,000,000.00	11	11,000,000.00	14	28,000,000.00
NCR	0	-	4	12,000,000.00	0	-	4	12,000,000.00
TOTAL	28	196,000,000.00	27	81,000,000.00	193	193,000,000.00	248	470,000,000.00

## I. 2<sup>nd</sup> QUARTER ACCOMPLISHMENT REPORT: PERFORMANCE CHALLENGE FUND (PCF)

### A. PROVISION OF FINANCIAL SUBSIDY TO LGUs

### 1. PCF 2015 FOR SGLG PASSERS

The official awarding ceremony of the 2015 Seal of Good Local Governance (SGLG) awardees are yet to be conferred, thus pending the release of the PCF subsidies for these qualified PCF recipients. The incentive which will be given to them has scaled up from P1 million into three P3 million for Municipalities, P3 million into P5 million for Cities and same P7 million for Provinces.

### 2. PCF 2014 FOR GFH PASSERS

248 LGUs (28 provinces, 27 cities and 193 municipalities) that are consistent GFH passers for two consecutive GFH assessment years (2012 and 2014) provided with 7 Million for provinces, 3 Million for Cities and 1 Million for Municipalities subsidy; MC No. 2015-37 dated April 7, 2015 entitled Eligible Beneficiaries of the 2014 PCF was released to all regions. All concerned DILG Regional Offices are now facilitating the submission of the administrative documentary requirements of these qualified PCF recipients as required in DILG MC No. 2013-148

### 3. DEVELOPMENT OF PCF IMPLEMENTING GUIDELINES

For the past years of PCF implementation, various issues and concerns were raised by our DILG field personnel regarding the implementation of PCF. To address those concerns, the PCF Management Team is on the process of developing the implementing guidelines to address these concerns.

The guidelines have been undergoing various phases of critiquing and consultation to various stakeholders. The draft guidelines was already posted in the website and ready for comments and feedbacks. It had been presented also during the PCF National Policy Roll out held last June 04-05, 2015 in Bacolod City. The outputs of that workshop are now being consolidated.

### 4. POLICY ROLL OUT

The technical and administrative preparations of this activity were coordinated with DILG Region VI. The said activity was successfully held last June 4-5, 2015 in Circle Inn Hotel, Bacolod City.

### **HIGHLIGHTS**

- A. Discussion and presentation of milestones and updates of the National and Regional PCF Implementation
  - 1. National status of the PCF implementation per data retrieved from the PCF portal was presented;
  - 2. The participants were informed on the milestones of PCF; IEC material for PCF were initially disseminated;
  - 3. Issues and concerns on the implementation of PCF at the regional level were thoroughly discussed in the activity;
- B. Proposed PCF Implementation Guidelines for FY 2015 onwards was presented for comments to the regional focal person;
- C. For the workshop on the enhancement of the guidelines, participants were divided into 3 groups;
- D. Presentation of the workshop output was done on day 2 of the activity.

### **AGREEMENTS:**

- A. All focal persons shall submit financial and work plan for inclusion to the 2<sup>nd</sup> semester PCF OPB realignment;
- B. BLGD to consolidate the regional recommendations and comments to enhance the PCF Guidelines; and
- C. Final copy of the PCF guidelines shall be forwarded to all regional office for comments.

## **B.** MONITORING THE COMPLETION/ IMPLEMENTATION OF LGU's PCF FUNDED PROJECTS

### 1. UPDATING/ MAINTENANCE OF THE PCF WEBSITE

The purpose of the PCF Web application is to serve as a management tool for online monitoring and reporting; to facilitate management control; and to allow public feedback to promote transparency and accountability in PCF project implementation.

## 2. VALIDATION AND DOCUMENTATION OF PCF-FUNDED PROJECTS

In connection with the implementation of the Performance Challenge Fund (PCF), a monitoring/ validation activity has been conducted by the Project Management Team to recipient LGUs for PCF 2012-2013. This is to assess/ evaluate the actual status of LGU-project implementation vis-à-vis submitted reports for the 2012-2013 PCF assisted projects. Results of this activity will form part of the DILG report to the Department of Budget and Management (DBM), Senate Committee on Finance and House Committee on Appropriations. The report may also form part of PCF good stories that will be featured in the future editions of PCF magazine. A total of 51 LGUS were validated by the PCF Management Team.(See Table 2)

### 3. IEC AND COMMUNICATION ADVOCACY

### MAGAZINE, WEB FLYERS, PCF BRIEFERS, and PCF FOLDERS

The 2<sup>nd</sup> Edition of the PCF Magazines, Web Flyers, PCF Briefers and PCF Folders were delivered last June 02, 2015. These IEC materials were initially distributed during the Policy Roll out held in Bacolod City.

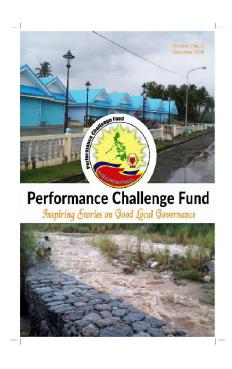




Table 2

Region	LGUs	Schedule		
	Urdaneta City, Pangasinan	501104410		
	Asingan, Pangasinan Sto. Tomas, La Union	April 13 – 16, 2015		
	Agoo, La Union	April 13 – 10, 2013		
1	City of San Fernando, La Union			
•	Alilem, Ilocos Sur			
	Sugpon, Ilocos Sur			
	Suyo, Ilocos Sur	May 26 – 29, 2015		
	Banayoyo, Ilocos Sur			
	Ango, Tarlac			
	San Clemente, Tarlac			
	Ramos, Tarlac			
III		May 20 – 22, 2015		
	Pura, Tarlac			
	Bamban, Tarlac			
	Victoria, Tarlac			
	Tayabas City, Quezon	<del>- </del>		
N/ A	Pitogo, Quezon	Annii 27 20 2015		
IV-A	Unisan, Quezon	April 27– 30, 2015		
	Pagbilao, Quezon			
	Lucban, Quezon			
	Culion, Palawan			
	Coron, Palawan	May 11 – 13, 2015		
IV-B	Busuanga, Palawan			
	Abra de ILog, Occidental Mindoro			
	Mamburao, Occidental Mindoro			
	Sablayan, Occidental Mindoro	June 7 – 10, 2015		
	Calintaan, Occidental Mindoro			
	San Jose, Occidental Mindoro			
	Iriga City, Camarines Sur			
	Gaiza, Camarines Sur			
V	Naga City, Camarines Sur	May 5 – 8, 2015		
	Tigaon, Camarines Sur			
	Canaman, Camarines Sur			
	Baao, Camarines Sur			
	Cordoba, Cebu	$\dashv$		
	City of Naga, Cebu	$\dashv$		
	Pinamungahan, Cebu			
VII	Danao City, Cebu Moalbal, Cebu	June 23-26, 2015		
	Sogod, Cebu			
	Ginatilan Cebu	_		
	Mahinog, Camiguin			
	Mambajao, Camiguin	_		
	Impasugong, Camiguin			
X		June 23- 26, 2015		
	Balingasag, Misamis Oriental	_		
	Cagayan de Oro City	_		
	Alubijid, Misamis Oriental			
	Mountain Province			
24.5	Bauko, Mountain Province	h 20 1 1 22 2245		
CAR	Sabangan, Mountain Province	June 29- July 03, 2015		
	Sadanga, Mountain Province	<del> </del>		
	Sagada, Mountain Province			

## II. Status of the Projects

Table 3

Project Status Summary for CY 2010 - 2013									
Region	Total No. of PCF Projects	No. of Completed Projects	% of Completed Projects	Going	% of On- Going Projects	No. of Not-Yet Started Projects			
REGION 01 - ILOCOS REGION	301	289	96%	7	2%	5			
REGION 02 - CAGAYAN VALLEY	216	212	98%	2	1%	2			
REGION 03 - CENTRAL LUZON	169	159	94%	4	2%	6			
CORDILLERA ADMINISTRATIVE REGION	104	76	73%	9	9%	19			
REGION 04A - CALABARZON	190	162	85%	8	4%	20			
REGION 04B - MIMAROPA	88	79	90%	8	<b>9</b> %	1			
REGION 05 - BICOL REGION	92	67	73%	13	14%	12			
NATIONAL CAPITAL REGION	1	0	0%	0	0%	1			
REGION 06 - WESTERN VISAYAS	275	218	79%	55	20%	2			
REGION 07 - CENTRAL VISAYAS	77	26	34%	6	8%	45			
REGION 08 - EASTERN VISAYAS	35	16	46%	13	37%	6			
REGION 09 - ZAMBOANGA PENINSULA	77	68	88%	6	8%	3			
REGION 10 - NORTHERN MINDANAO	82	64	78%	7	9%	11			
REGION 11 - DAVAO REGION	94	81	86%	4	4%	9			
REGION 12 - SOCCSKSARGEN	78	73	94%	4	5%	1			
REGION 13 - CARAGA	181	151	83%	18	10%	12			
autonomous region in muslim Mindanao	8	8	100%	0	0%	0			
Total	2068	1749	85%	164	8%	155			

<sup>\*\*</sup>Based on the data taken on the PCF Website as of June 15, 2015

Table 4

PCF Category	Number of Projects	Percentage
Millennium Development Goals	697	34%
Local Economic Development	1040	50%
Disaster Risk Management	230	11%
Solid Waste Management	101	5%
TOTAL	2068	100%

<sup>\*\*</sup>Based on the data taken on the PCF Website as of June 15, 2015

Figure 1

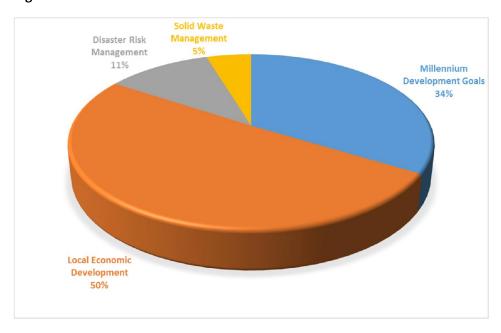


Table 5

PCF Category	Number of Projects	Percentage
Millennium Development Goals	13	42%
Local Economic Development	14	45%
Disaster Risk Management	3	10%
Solid Waste Management	1	3%
TOTAL	31	100%

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Figure 2

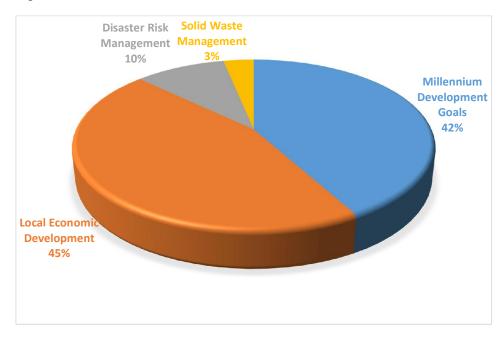


Table 6

Summary of Project Status for the year 2010							
Region	Total No. of PCF Projects	No. of Completed Projects	Percentage of Completed Projects				
REGION 01 - ILOCOS REGION	2	2	100%				
REGION 02 - CAGAYAN VALLEY	2	2	100%				
REGION 03 - CENTRAL LUZON	0	-	-				
CORDILLERA ADMINISTRATIVE REGION	2	2	100%				
REGION 04A - CALABARZON	2	2	100%				
REGION 04B - MIMAROPA	0	0	0%				
REGION 05 - BICOL REGION	3	3	100%				
NATIONAL CAPITAL REGION	0	0	0%				
REGION 06 - WESTERN VISAYAS	2	2	100%				
REGION 07 - CENTRAL VISAYAS	4	4	100%				
REGION 08 - EASTERN VISAYAS	2	2	100%				
REGION 09 - ZAMBOANGA PENINSULA	2	2	100%				
REGION 10 - NORTHERN MINDANAO	4	4	100%				
REGION 11 - DAVAO REGION	1	1	100%				
REGION 12 - SOCCSKSARGEN	0	0	0%				
REGION 13 - CARAGA	4	4	100%				
AUTONOMOUS REGION IN MUSLIM MINDANAO	1	1	100%				
Total	31	31	100%				

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Table 7

PCF Category	Number of Projects	Percentage
Millennium Development Goals	214	34%
Local Economic Development	301	49%
Disaster Risk Management	70	11%
Solid Waste Management	39	6%
TOTAL	624	100%

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Figure 3

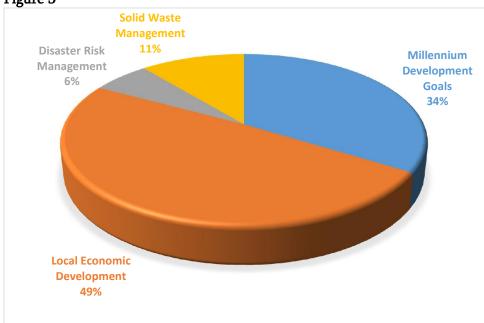


Table 8

Sumn	nary of Proj	ect Status fo	r the year 201	1		
Region			% of Completed Projects	No. of On- Going Projects	% of On- Going Projects	No. of Not-Yet Started Projects
REGION 01 - ILOCOS REGION	110	110	100%	0	0%	0
REGION 02 - CAGAYAN VALLEY	37	37	100%	0	0%	0
REGION 03 - CENTRAL LUZON	44	44	100%	0	0%	0
CORDILLERA ADMINISTRATIVE REGION	34	34	100%	0	0%	0
REGION 04A - CALABARZON	55	55	100%	0	0%	0
REGION 04B - MIMAROPA	25	25	100%	0	0%	0
REGION 05 - BICOL REGION	31	30	97%	1	3%	0
NATIONAL CAPITAL REGION	-	-	-	-	-	-
REGION 06 - WESTERN VISAYAS	104	104	100%	0	0%	0
REGION 07 - CENTRAL VISAYAS	16	15	94%	1	6%	0
REGION 08 - EASTERN VISAYAS	8	3	38%	5	63%	0
REGION 09 - ZAMBOANGA PENINSULA	26	26	100%	0	0%	0
REGION 10 - NORTHERN MINDANAO	32	32	100%	0	0%	0
REGION 11 - DAVAO REGION	15	15	100%	0	0%	0
REGION 12 - SOCCSKSARGEN	9	9	100%	0	0%	0
REGION 13 - CARAGA	73	73	100%	0	0%	0
AUTONOMOUS REGION IN MUSLIM MINDANAO	5	5	100%	0	0%	0
Total	624	617	99%	7	1%	0

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Table 9

PCF Category	Number of Projects	Percentage
Millennium Development Goals	355	48%
Local Economic Development	308	42%
Disaster Risk Management	49	7%
Solid Waste Management	19	3%
TOTAL	731	100%

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Figure 4

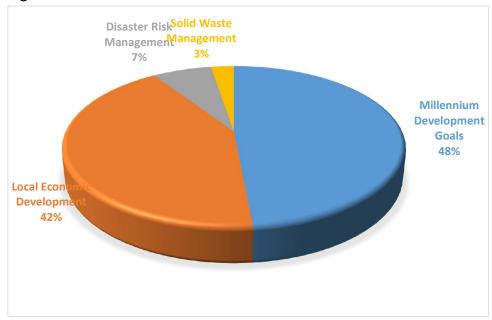


Table 10

Summary of Project Status for the year 2012								
Region			% of Completed Projects	No. of On- Going Projects	% of On- Going Projects	No. of Not-Yet Started Projects		
region 01 - Ilocos region	93	93	100%	0	0%	0		
REGION 02 - CAGAYAN VALLEY	111	111	100%	0	0%	0		
REGION 03 - CENTRAL LUZON	102	99	97%	3	3%	0		
CORDILLERA ADMINISTRATIVE REGION	23	23	100%	0	0%	0		
REGION 04A - CALABARZON	61	59	97%	2	3%	0		
REGION 04B - MIMAROPA	35	30	86%	5	14%	0		
REGION 05 - BICOL REGION	12	7	58%	5	42%	0		
NATIONAL CAPITAL REGION	1	0	0%	0	0%	1		
region 06 - Western Visayas	72	72	100%	0	0%	0		
REGION 07 - CENTRAL VISAYAS	7	5	71%	0	0%	2		
REGION 08 - EASTERN VISAYAS	13	7	54%	5	38%	1		
REGION 09 - ZAMBOANGA PENINSULA	22	21	95%	1	5%	0		
REGION 10 - NORTHERN MINDANAO	21	17	81%	3	14%	1		
REGION 11 - DAVAO REGION	61	57	93%	1	2%	3		
REGION 12 - SOCCSKSARGEN	53	51	96%	1	2%	1		
REGION 13 - CARAGA	44	44	100%	0	0%	0		
autonomous region in muslim mindanao	0	0	0%	0	0%	0		
Total	731	696	95%	26	4%	9		

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Table 11

PCF Category	Number of Projects	Percentage
Millennium Development Goals	115	17%
Local Economic Development	417	61%
Disaster Risk Management	108	16%
Solid Waste Management	42	6%
TOTAL	682	100%

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015

Figure 5

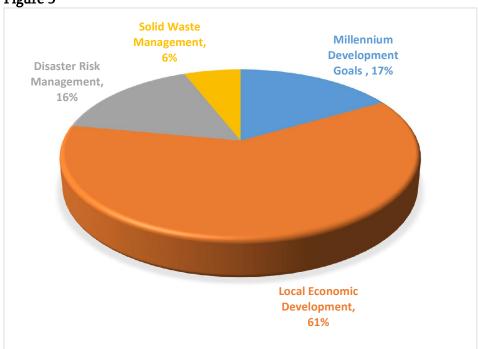


Table 12

Summary of Project Status for the year 2012									
Region		No. of Complete d Projects	% of Completed Projects	No. of On- Going Projects	% of On- Going Projects	No. of Not-Yet Started Projects			
REGION 01 - ILOCOS REGION	96	84	88%	7	7%	5			
REGION 02 - CAGAYAN VALLEY	66	62	94%	2	3%	2			
REGION 03 - CENTRAL LUZON	23	16	70%	1	4%	6			
CORDILLERA ADMINISTRATIVE REGION	45	17	38%	9	20%	19			
REGION 04A - CALABARZON	72	46	64%	6	8%	20			
REGION 04B - MIMAROPA	28	24	86%	3	11%	1			
REGION 05 - BICOL REGION	46	27	59%	7	15%	12			
NATIONAL CAPITAL REGION	0	0	0%	0	0%	0			
REGION 06 - WESTERN VISAYAS	97	40	41%	55	57%	2			
REGION 07 - CENTRAL VISAYAS	50	2	4%	5	10%	43			
REGION 08 - EASTERN VISAYAS	12	4	33%	3	25%	5			
REGION 09 - ZAMBOANGA PENINSULA	27	19	70%	5	19%	3			
REGION 10 - NORTHERN MINDANAO	25	11	44%	4	16%	10			
REGION 11 - DAVAO REGION	17	8	47%	3	18%	6			
REGION 12 - SOCCSKSARGEN	16	13	81%	3	19%	0			
REGION 13 - CARAGA	60	30	50%	18	30%	12			
AUTONOMOUS REGION IN MUSLIM MINDANAO	2	2	100%	0	0%	0			
Total	682	405	59%	131	19%	146			

<sup>\*\*</sup>Based on the data taken from the PCF Website as of June 15, 2015