

# Governance & Social Accountability Mechanisms Naga City, Philippines\*

## Introduction

This paper describes the governance and social accountability mechanisms that Naga City developed and institutionalized over the last 18 years.

Over those years, Naga has also developed a reputation for good governance, having crafted and operationalized mechanisms that demonstrate the virtues of transparency, accountability, predictability and participation: the four pillars of good governance.

In a related track, the World Bank website defines social accountability as “an approach towards building accountability that relies on civic engagement, i.e. in which it is ordinary citizens and/or civil society organizations who participate directly or indirectly in exacting accountability.”

At the conceptual level therefore, good governance and social accountability intersect at the core value of accountability, “the imperative to make public officials answerable for government behavior and responsive to the entity from which they derive their authority.”

At the operational level, they would converge in four initiatives and mechanisms that will be the focus of this paper:

- Kaantabay sa Kauswagan
- Local NGO councils and the Empowerment Ordinance
- The i-Governance program, and
- Naga’s Participatory Planning and Budgeting initiatives

## Local social accountability initiatives

Naga’s social accountability initiatives can be viewed as a continuum that evolved out of the Kaantabay sa Kauswagan program.

### 1. Kaantabay sa Kauswagan: Empowering the urban poor

Conceptually, the Kaantabay program is a form of social housing. It dates back to 1989, making it one of the oldest, most durable and sustainable initiatives of the city government.

**Mechanics.** At its core is securing tenurial rights for urban poor beneficiaries. This is accomplished by acquiring the landholding they are occupying through various innovative schemes, with the city government playing a critical facilitative and mediating role. When negotiations are completed, the beneficiaries are then able to amortize their homelots under very affordable terms through community mortgage. When the landholding is fully paid up, property rights to individual homelots are transferred to beneficiaries, thereby facilitating asset building by the poor.

**Accountability mechanisms.** Three key program thrusts operationalize accountability:

- *Community organizing.* At the program level, the city government engaged the Community Organizers of the Philippines Enterprises (COPE) in social preparation and community

---

\*Presented by Mayor Jesse M. Robredo of Naga City, Philippines during the Governance and Social Accountability Forum on September 18, 2006 in conjunction with the World Bank and IMF Annual Meeting in Singapore.

organizing, recognizing that these areas lie outside its core competence. As a result of COPE's efforts, there are now around 80 urban poor associations belonging to the Naga City Urban Poor Federation (NCUPF) compared with the only nine in 1989 when Kaantabay began. The NCUPF serves as a major institutional force in ensuring that the city government lives up to its commitment to the sector as embodied in the Kaantabay sa Kauswagan ordinance, including the proviso allocating 10% of the local budget, net of personal services, to urban poverty concerns.

- *Tripartism.* The program's effectiveness also stems from a tripartite approach to problem resolution at the project level, involving the a) city government and other national government agencies; b) urban poor associations, aided by NGOs and POs; and c) private landowners. This mechanism enables the involved parties to sit down and cooperate in solving their disputes in a fair and transparent manner.
- *Local housing and urban development board.* At the city level, accountability is further ensured by giving the urban poor and non-government sector a strong voice in defining, monitoring and evaluating Naga's urban development directions and setting policies for the Kaantabay program. Only half of this 20-man body comes from government: the other half is shared equally by the NCUPF and the Naga City People's Council.

**Outcomes.** Kaantabay has fashioned innovative approaches to land acquisition, community development and project financing which enabled it to achieve near universal coverage. In the process, it overcame resource limitations that handicap national and local government authorities. As of December 31, 2005, it has covered a total of 8,763 urban poor households, representing 30 percent of the total citywide. In terms of direct benefit, 67 percent of the households covered are on their way to acquiring their property titles, having benefited from 27 completed projects under the program. Negotiations are ongoing for 14 more projects that will cover the remaining 33 percent. Thus, for roughly 2 out of every 3 urban poor households in Naga, agreement has been reached between the landowner, the urban poor association and the city government; the tenurial status of the occupants is already secured; and they are in the process of amortizing their homelots.

## **2. Local NGO councils and the Empowerment Ordinance: Broadening, deepening democratic space**

Naga's formal engagement with the local civil society began in the early part of the '90s, spurred by the passage of the Local Government Code of 1991 (LGC 91) that decentralized governance, devolved national powers and resources, promoted local autonomy and people empowerment. On top of this national policy reform, the institutionalization process was also helped by early local successes in public-private partnerships that financed initial area development ventures that promoted local economic development.

**The NGO-PO Council.** The initial outcome of that formal engagement took the form of the Naga City NGO-PO Council, a loose structure that brought together representatives of the city government as well as their counterpart from local NGOs and POs (which was then largely unorganized). In a sense, it is a precursor to the much more powerful Naga City People's Council (NCPC).

The NGO-PO council became a forum through which local development directions and policies were debated and discussed, with the end view of maximizing provisions of the LGC 91. The resulting atmosphere of openness did much in building confidence on the part of the progressive sector on the one hand, and affirming the advantages of being inclusive and participative on the part of the city government on the other.

**The People Empowerment Program.** Inspired by the positive outcome of engaging civil society, the city government decided to push the envelope in promoting popular participation in local governance through the People Empowerment Program (PEP).

The PEP is built around the operationalization of local special bodies mandated under LGC 91. It is also buttressed by multi-level consultation mechanisms that were created, including the first and only city-wide referendum in the Philippines on August 6, 1993.

**Empowerment Ordinance and the NCPC.** But the establishment of the NCPC in 1997 represents the pinnacle in PEP’s evolution as an initiative that empowers the non-government sector. Pursuant to a landmark legislation known as the Empowerment Ordinance, the people’s role in governance was expanded through the NCPC, a city-level federation of close to a hundred NGOs and POs (including business organizations) operating in Naga. As a result, NCPC representatives sit in all local special bodies and committees of the City Council.

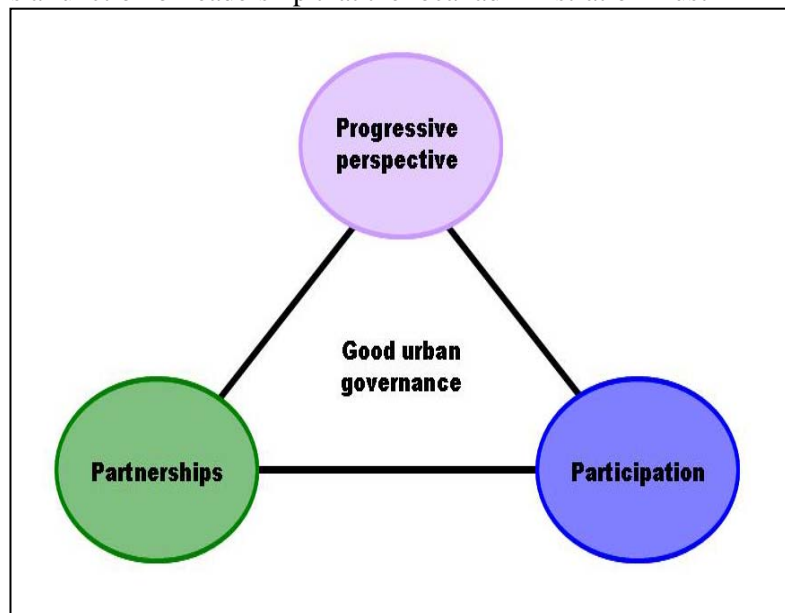
Among others, the NCPC

- observes, votes and participates in the deliberation, conceptualization, implementation and evaluation of programs, projects and activities of the city government;
- proposes legislation, participates and votes at the committee level of the City Council; and
- acts as the people’s representative in the exercise of their constitutional rights to information.

By operationalizing the NCPC, the Empowerment Ordinance created and secured the avenue for participation of organized groups in governing the city, not only in policy-making but also in project implementation, monitoring and evaluation. This is the first and, probably, the only system of its kind in the Philippines. In 1998, this scheme was recognized under the Dubai International Awards as one of the Top 10 Best Practices worldwide.

**Naga Governance Model.** The process was capped by the development of the Naga Governance Model by the turn of the century which captures the city government’s decade-long experience in governance innovations. (See Fig. 1.) The model has three elements:

- *Progressive perspective*, which is a function of leadership that the local administration must provide. Naga’s core philosophy is “growth with equity” which seeks to promote economic development and to sustain the implementation of pro-poor equity projects to, ultimately, build prosperity for the community at large.
- *Partnerships*, which are vehicles that enable the city to tap community resources for priority undertakings. In the process, they multiply its capacity, enabling it to overcome perennial resource constraints.
- *Participation*, which refers to mechanisms to ensure long-



**Fig.1.** The Naga Governance Framework

term sustainability by generating broad-based stakeholder and community ownership over local undertakings.

### **3. The i-Governance Program: Empowering individual citizens**

In its effort to broaden and deepen democratic space, the city government unwittingly excluded a significant stakeholder: the individual citizen who might be averse to joining organized groups. To address this limitation, it further embraced and operationalized information openness as a key principle underpinning good governance through the i-Governance program.

**Rationale.** i-Governance identifies and uses various tools to encourage participation in government decision-making, especially by individuals, and concretize the governance principle of transparency and accountability.

Information openness on part of government and exchange through continuing dialog are the key operating principles to promote engagement. These principles are reflected by what the “i” in the program name stands for:

- *inclusive governance*, which seeks to embrace, rather than exclude, individuals, peoples and sectors in running government
- *information openness*, which demonstrates that information is power, and truly empowering when placed at the hand of the citizens
- *interactive engagement*, which puts premium on information exchange through continuing dialog between authority and constituency, and
- *innovative management*, which is committed to a culture of excellence sustained by creativity and innovations.

The program is a reiteration of the Naga Governance Model. By expanding and creating participatory mechanisms that empower individual citizens, it strengthens participation—the third element in the Naga model.

**Components.** These are made possible under the following components:

- a. *Analog or paper-based tools.* This takes the form of the Citizens Charter, Performance Pledges and the Citizens Board – analog tools that recognize the reality of a digital divide and are intended to address the need of around 67% of the population who do not have ICT access. The Citizens Charter (now on its 2nd edition) documents around 130 key city government services, including procedure, response time, personnel responsible for each service, requirements checklist to facilitate service delivery, schedule of fees (if applicable), and location maps sketching offices handling the service. The Performance Pledge found in each city department details their respective service commitments. The Citizens Board at the city hall building contains copies of the annual city budget, financial statements, ordinances and executive orders, and other important documents for easy reference.
- b. *The naga.gov initiative.* This component maximizes the potentials of web technology that is within the reach of resources and capability of a local government in a developing country. Named after the city government website at [www.naga.gov.ph](http://www.naga.gov.ph), it offers web-enabled individuals, including local residents and those living abroad, the opportunity to access information on Naga, including services of the city government, and to communicate requests and complaints in a cost-effective and efficient manner. The website contains a digital version of the Charter (called

NetServe) and the Citizens Board.\* It was recently enhanced by webcasting seven primetime programs of a local radio station, enabling the city to respond to the need of individuals and communities living abroad to communicate and touch base with their native city. A complementary message board on the webcast is now the fastest growing component of the naga.gov community forum. For the past two years, it was recognized as the best city government website in the Philippines.

- c. *TxtServe Naga.* The mobile governance component of the program, TxtServe allows citizens to convey complaints and other concerns to the city government through text or SMS messaging, in partnership with Smart Telecommunications, the country's leading wireless provider. It takes advantage of higher penetration rate of cellular phones (at 67%) over dial-up internet (around 33%), and holds the biggest potential for program expansion.
- d. *Network access improvement.* This represents the city government's effort to address the digital divide through strategic investments in expanding internet access. The Computer Literacy and Instructional Center for Kids (CLICK) project of the city school board provided PC units to all public schools in Naga. The program piggybacked on this school-based initiative to create local cyber schools, effectively providing internet access in all areas of the city. Together with internet stations in key village halls (called cyber barangays), this component represents a continuing effort to fully address the needs of the 67% without ICT access.

#### **4. Participatory Planning and Budgeting initiatives—Social accountability in local planning and budgeting processes**

Beginning this June, the city government, through its local planning office, has begun updating Naga's development and land use plans, providing it an opportunity to further institutionalize participative approaches in local planning and budgeting under the Public Governance System (PGS). In so doing, the following innovations were adopted:

- a. ***Using the Millennium Development Goals (MDGs) and the PGS outputs as planning targets.***  
By adopting the MDG and the PGS vision-mission statement and scorecards, the city will no longer need to reinvent the wheel and go through a time-consuming visioning process. This also means that it will be updating the local land use and development plans with a 9-year time horizon. The planning process will therefore focus on revisiting these outputs, refining the targets set, and aligning the city plans towards attaining these 9-year targets.
- b. ***Working with existing and mandated local councils and special bodies as basic planning unit.***  
This involves tapping the 16 existing and mandated councils under the umbrella of the City Development Council (all of which have strong civil society representation) in coming up with sectoral components of both the land use and development plans. For instance, in regard to the social sector, the city had to work with the children, women, youth and senior citizen councils; the Health Board and the NCUPF, in establishing the baseline data, assessing needs; crafting programs, projects and activities (PPAs) that will respond to these needs in the context of the MDG and PGS targets; costing out these PPAs, and laying out a 9-year action plan for implementation, monitoring and evaluation.

This approach has the following advantages:

---

\*As such, it makes available online the city government's financial reports, like proposed and approved annual operating budget, quarterly financial statement of operation, bid tenders and outcomes of every bidding process completed.

- i. Higher data quality as stakeholders have the opportunity to validate and reconcile both official (i.e. those generated by the city planning staff) and non-official data
  - ii. Shared ownership and responsibility over the output plans, and
  - iii. A more strategic and meaningful role for local councils and special bodies in the city government's institutional planning processes.
- c. **Multiple levels of consultation.** With all but two of the sectoral planning sessions completed, the stage is now set for two additional levels of consultation: at the sectoral level, where consolidated outputs will be presented, discussed and revised (thus, the six councils mentioned above will have the opportunity to critique the draft plan for the Social Sector); and at the city level, where the revised drafts will again be presented to all sectors comprising the City Development Council.
- d. **Participative budgeting at the departmental level.** Even as the plan is being crafted, the planning process which heavily involves the NCPC and its member NGOs has positively informed local budgeting processes and practices of the city government. Their presence and participation in the crafting of departmental budgets is yet another guarantee that budgetary allocations will be aligned with the city vision and mission statements and scorecards that incorporate the MDGs.

## Lessons Learned

Naga's journey as a trailblazer in good urban governance as reflected by that continuum highlights the following:

1. **The local society must secure a strong voice.** Our experience with the Kaantabay program is very instructive: it began with community organizing primarily intended to empower this marginalized sector: thereby by giving it a seat in the table and a voice in governance. This is the first step in building up social accountability.
2. **A variety of social accountability mechanisms exists, one often building up on others.** This is clearly demonstrated by the organization of urban poor associations, which led to their federation, which led to the reconstitution of the city housing and urban development board on one hand and the NGO-PO and Peoples Councils on the other. These structures are by themselves mechanisms that will allow society to exact accountability from government.
3. **Local development planning and budgeting can further institutionalize accountability.** The ongoing updating of local plans shows that Naga is coming full circle, with a twist. Traditionally, planning occurs at the initial phase of any process or activity. Here, it has emerged as the newest opportunity to integrate and tie in all these innovations together, when they already have individually achieved momentum and attained maturation. NCPC's involvement will ensure that its voice will be heard even in the allocation of the city government's budgetary resources at the department level.
4. **There is always a better way.** We have enshrined this "Continuous Improvement" mantra in the city's vision statement simply because this philosophy has actually powered all of the innovations we have crafted and institutionalized. Consequently, our journey to strengthen social accountability mechanisms is still ongoing.