MULTILEVEL GOVERNANCE FOR SDG LOCALIZATION

Philippines

KEY FINDINGS

The Philippines is a highly decentralized country whose constitution recognizes local governments. The Local Government Code of the Philippines establishes a three-tiered system and makes provisions for the basic structure, roles and responsibilities of local governments in the country. The Philippines’ development plans are guided by the goals and principles of sustainability and inclusivity.

The main national agencies involved in the elaboration of relevant policy instruments for SDG localization and vertical integration are: the National Economic and Development Authority, which is responsible for the coordination of the SDG implementation strategy; the Department of Interior and Local Government, which supports SDG localization and the Philippine Statistics Authority, which facilitates subnational and local processes and workshops to ensure alignment and coordination of indicators from the national to the local level.

Horizontal integration is fostered by the three organisations of subnational governments in the Philippines: the League of Cities (LCP), the League of Municipalities (LMP), and the League of Provinces of the Philippines (LPP), which have all declared their support to the SDGs. The highest-ranking planning and policy-making body at the regional level is the Regional Development Council (RDC) and it is the main organization responsible for directing and coordinating regional efforts to promote economic and social development and consists of provincial, municipal, and agencies involved in SDG implementation.

The National Economic and Development Authority Sub-Committee on the SDGs provides a routine and formalized forum for interaction between the public and business sectors, civil society, academia, the media, trade and labour unions, among others. The committee also encourages non-government and for-profit groups to participate in sessions where they can express their commitment and specify their contribution to the SDGs.
INSTITUTIONAL CONTEXT

The Republic of the Philippines is a highly decentralized country, counting 81 Provinces, one Autonomous Region, 145 Cities, 1489 Municipalities and 42,045 villages (Barangays).

The 1987 Constitution, in Article X, recognizes local governments and the Local Government Code (LGC) of the Philippines, adopted by Congress in 1991 (Republic Act No. 7160) regulates them, establishing a three-tiered system and making provisions for the basic structure, roles and responsibilities of local governments in the country. The code also expanded local governments’ fiscal capacity and autonomy.

The Department of Interior and Local Government (DILG) is responsible for regulating local governments. The primary government organization in charge of creating regional planning strategies, assisting local governments with technical matters, and creating national development plans is the National Economic and Development Authority (NEDA). The objectives and tenets of sustainability and inclusion serve as a guide for the Philippines’ development plans in fulfilling the SDGs. The implementation strategy for the Sustainable Development Agenda is then integrated with the 17 goals. This also made it possible for all levels of government to use the national government’s existing tools and infrastructure.

VERTICAL INTEGRATION

The main political commitment and institutional arrangements for vertical integration consists of the national executive order (Order No. 27, 2017, that requested all government levels to implement the Philippine Development Plan (PDP), and the main national agencies involved in the elaboration of relevant policy instruments for SDG localization:

- the National Economic and Development Authority (NEDA), which is responsible for the coordination of the SDG implementation strategy;
- the Department of Interior and Local Government (DILG), which supports SDG localization;
- the Philippine Statistics Authority (PSA), which facilitates subnational and local processes and workshops to ensure alignment and coordination of indicators from the national to the local level.

NEDA’s regional development offices are responsible for drafting and coordinating the regional development plans. Provincial governors usually chair the Regional Development Council, acting as the formal mechanism for coordination and multilevel governance on SDGs. In addition, the NEDA, the Regional Development Councils, Planning Committees, and Sub-committees regularly convene to craft the plans and ascertain that the programs, activities, and projects are aligned with the PDP and are feasible within the medium term. This constitutes a very structured system, with many entry points for local governments aspiring to localize the SDGs in coordination with the national level. Considering the scope and complexity of the country decentralization framework, this leads to variable outcomes, depending on the level of government and related settings and capacities.

The main mechanisms for SDG localization are the Regional Development Plans (RDP), which translate the national development plan into regional strategies and priorities. The RDPs, reflecting the alignment and integration of the PDP with the SDGs, serve as the implementation mechanism of the SDGs at the regional and local levels. Moreover, the Philippines adopted in 2018 its Guidelines for Localization and a ‘result matrix’ for LRGs, while the League of Cities of the Philippines (LCP) integrated the SDGs into its Strategic Plan for 2019-2022 and is leading various initiatives for SDG dissemination (including, among others, developing the Cities’ System Capacity Development Project to strengthen city planning). However, although the country’s national associations, and particularly the LCP and the League of Municipalities (LMP), are active in SDG localization, it is reported that many local government units are not fully aware of these processes and that technical and financial support needs to be improved to allow their actual alignment with SDG priorities.

Concerning SDG implementation, NEDA, DILG and the Philippines’ Statistical Office developed assessment criteria to access funds. In particular, different score cards systems have been used to evaluate progress, linking performances to access to specific funds. However, the alignment between the funds to support local governments’ plans and the SDGs does not result fully clear for LRGs, which find it difficult, for instance, to access specific funds to support adaptation to climate change and resilience projects. Overall, the government seems to prioritise reporting mechanisms, but still devotes limited support and funding.
to new SDG priorities, with an over-reliance on regulatory approaches instead of promoting outreach, collaboration and capacity-building efforts between national and local governments.

The establishment of the 'Sustainable Development Goals and Ambisyon Natin 2040 Fund' entails the creation of SDG councils at the local level as means to access funding and technical assistance for anti-poverty programs, activities, and projects (PAPs). This should provide further support to local governments in realizing their long-term vision and transition into sustainable cities and communities. Under the said bill, the national government will thoroughly assess project proposals submitted by local governments to match the national agenda and approve funding support. However, despite the introduction of these tools, at the city level, most interventions are still implemented with funds and support from donor agencies, and less from the national government and agencies.

The Philippine Statistics Authority (PSA) is in charge of review and reporting, by managing SDG data monitoring and evaluation, and has designed appropriate scorecards to evaluate whether development plans are aligned with the SDGs. This is complemented by the City Database Project led by the League of Cities of the Philippines to consolidate city data and show how cities are achieving the SDGs. The National Economic and Development Authority (NEDA), to enable greater accountability from the government, led the elaboration of the Philippine Development Plan Results Matrices (RM). The matrices illustrate the results to be achieved in the medium term as well as indicators and means of verification per indicator, the baseline information, the annual and end-of-Plan targets for selected goals and outcomes. NEDA also included the SDG indicators in the RM to enhance monitoring of the country’s efforts to achieve the SDGs.

An accompanying document to monitor the RM is the Socioeconomic Report (SER). It monitors, reports, and provides an overall assessment of the outputs, accomplishments, and recommendations of the PDP on an annual basis. In 2018, NEDA designed the SER to assess the contributions and alignment of the PDP to the global goals. In addition, its SDG Annex ensures that the policies and programs, activities, and projects indicated in the PDP contribute to the attainment of the SDGs.

In regard to political commitment and institutional arrangements, the Regional Development Council (RDC) is the highest planning and policy-making body at the regional level. Functioning as the counterpart of the National Economic and Development Authority (NEDA) Board at the sub-national level, it is the primary institution that coordinates and sets the direction of all economic and social development efforts in regions. The regional body is composed of representatives from the provinces, the cities, and the representatives of agencies concerned with the SDGs. The League of Cities (LCP), the League of Municipalities (LMP) and the League of Provinces of the Philippines (LPP) are the three associations of sub-national governments in the Philippines, and they all have expressed their commitments to the SDGs, contributing to enhance horizontal integration within and between their respective members’ governments.

At national level a sectoral, siloed approach to policymaking and planning still prevails. However, there is a growing realization that integrated, area-based programs have a strong potential to address interlinkages and enhance collaboration among different levels and actors to achieve goals that transcend administrative and sectoral boundaries. This applies most notably in relation to environmental goals and related initiatives. Since the institutionalization of the provincial Results Matrices, cities and municipalities validate the provincial baseline and targets during the province-led dialogue and commitment setting. Provincial governors, municipal and city mayors, members of the local councils, and planning and development coordinators take part in the event, through which cities and municipalities are able to commit and align their plans, investment programs, and budget with the provincial targets.

Concerning implementation, the Public Investment Program 2017-2022 (PIP) accompanying the National Development Plan (PDP) is the primary medium-term investment instrument of the government containing the rolling list of priority programs, activities, and projects to be implemented by the government at all levels. These priority programs, activities, and projects are consistent with the long-term vision, SDG commitments, and targets provided in the PDP and its Results Matrices. Financial mechanisms for implementing the priority programs and projects are also indicated in the PIP, and can be activated through national government financing, or through partnership/s with the private sector as provided by the public-private partnership (PPP) scheme. Financing can also come through official development assistance, which could either be in the form of grants and/or
loans from development partners. This system, even though well-structured through a plurality of possible financing sources, can sometimes be an additional cause of duplication of efforts in the same area, due to lack of coordination between different authorities and development partners.

A key driver of horizontal integration is intermunicipal cooperation, which allows local governments to work across jurisdictions to achieve complementarities and scale. Despite a prevailing top-down approach to SDG localization by the national government, the three associations of subnational governments (LCP, LMP and LPP) are actively engaged in promoting horizontal coordination and cooperation between subnational governments’ layers for the localization of the SDGs.

With regard to review and reporting, the League of Cities of the Philippines, as part of its activities, supports SDG localization in Philippines cities, and it has established a pilot program to capacitate cities in the conduct of Voluntary Local Reviews (VLRs). The City Database Project, implemented from the beginning of 2018, is the League flagship project, and serves as a strategic entry point to collate and illustrate case studies of local best practices on SDG implementation in cities. The League developed an initial report on how cities are faring in the achievement of the SDGs, identifying matching priorities and showing how these were translated into different programs, activities, projects, as well as enabling legislation frameworks.

Concerning planning, the National Development Plan AmBisyon Natin 2040 was formulated in consultation with various government and civil society stakeholders that participated in surveys and focus group discussions. The process began in 2015 and involved more than 300 citizens, who participated in focus group discussions and close to 10,000 who answered the national survey. The advisory committee that guided the formulation of the plan was composed of representatives from the government, the academia, civil society and the private sector.

The League of Cities’ strong partnerships with development organizations in the implementation of projects, all anchored on the principles of the New Urban Agenda, has enabled cities to further enhance efforts and strategies to address local urban development challenges, through the active engagement of a diversity of stakeholders. For example, the involvement of development organization significantly addresses the challenges in SDG implementation, particularly those linked to financial resource limitations.

With regard to review and reporting, in conducting the 2019 VNR, the Philippines undertook several consultation workshops to gain feedback from stakeholders and to engage and renew commitments for cooperation towards the achievement of the goals. Therefore, the VNR process was utilized as an opportunity to connect with different stakeholders representing different sectors and geographic regions. Moreover, the SDG Website aims to provide an online platform to engage different stakeholders on the SDGs and to serve as a tool for policy coordination.

Another relevant tool to localize the SDGs is the institutionalization of the Community-Based Monitoring System (CBMS) at the local level. The CBMS is an organized poverty-profiling system to collect, process, and validate local disaggregated data for development planning and program implementation and monitoring at the community level, further filling in the data gaps at the national level. Data collected complement the data of the PSA. Local governments implement it as input to their prioritization of PPAs, particularly poverty alleviation programs. As a monitoring tool, the CBMS can generate 39 SDG indicators. In addition, the CBMS further reinforces the local databases of local governments, thus providing the necessary local indicators.
This summary reports the main information on multilevel governance for SDG localization in Philippines. It is part of the wider global research “Accelerating progress towards the localization of the SDGs and post-pandemic recovery through enhanced multilevel governance”. The research is the building block of UN-Habitat’s effort to strengthen global knowledge and practices on multilevel governance as a key process to localizing the SDGs. The research has been led in partnership with ARCO (Action Research for CO-development) and with the support of knowledge partners: Brookings Institution, LSE Cities, Nelson Mandela School of Public Governance, United Cities Local Governments.

The analysis summarized here is mainly based on information collected through key informant interviews with one of the main associations of Local and Regional Governments in the country (i.e., the League of Cities of the Philippines - LCP) and one local authority actively committed to SDG localization (i.e., City Government of Naga). Moreover, it provides information extrapolated from the official Voluntary National Reviews (2016, 2019 and 2022) and the draft Voluntary Subnational Review, as well as from relevant global reports, including the yearly UCLG report to the High-level Political Forum “Towards the localization of the SDGs”, OECD/UCLG (2019), OECD (2020), OECD country profiles on PCSD, Brookings (2020, 2022), and the policy briefs on “Emergency Governance for Cities and Regions” by LSE Cities, UCLG & Metropolis (2021).

The complete research report, other country profiles and more tools are available in the online platform: “Multilevel governance - Accelerating the Localization of the Sustainable Development Goals”.

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