

**CASE 4**  
**CASE STUDY OF LGU-PO PARTNERSHIP IN**  
**PANGANTUCAN, BUKIDNON**

Felipe S. Ramiro, Jr.

## 1. BACKGROUND INFORMATION

### **Area Profile**

The Municipality of Pangantucan is at the southwestern part of the province of Bukidnon, Mindanao. With a land area of 49,394 hectares, Pangantucan is the ninth largest among Bukidnon's 22 municipalities. Its year 2000 population was estimated at 42,250 people, divided into *dumagats* (settlers) and *lumads* (indigenous people).

Pangantucan has an agricultural economy. Of its total land area, 30,131 ha. (61%) are rolling areas that can support agriculture through intensive and systematic soil management. Only 6,916 ha. (14%) are plain areas, fit for agriculture and requiring only minimal soil management. Most of the cultivated land is planted to corn (69.47%), rice (16.19%) and sugarcane (11.91%), although of late, more corn lands are being converted to sugarcane. Land distribution in Pangantucan was included in the first phase of the Comprehensive Agrarian Reform Program in 1988. Today, only a handful of landholdings remains to be distributed by the Department of Agrarian Reform.

In 1997, Pangantucan had 273 registered commercial enterprises, four of them considered large-scale. Most are buy-and-sell operations, concentrated in Barangay Poblacion (center).

### **Local Government Profile**

The Pangantucan government wants the municipality to become an agro-industrial area by promoting "the attainment of local autonomy, increased profitable economies, and productive agricultural activities." The mayor, Antonio M. Garces, is a first-terminer. His agenda includes reorganizing the local bureaucracy and attending to the needs of farmers. For the farmers, he wants to strengthen existing cooperatives, provide infrastructure like farm-to-market roads and improve the delivery of basic

services. In his meetings, he summarizes this vision into three ideas: food on everyone's table, increased agricultural productivity, and a happy family.

The local government bureaucracy has about 181 workers, most of them permanently tenured. Mayor Garces oversees the municipal operation mainly through an Executive Committee composed of all department heads. The seat of government is in Poblacion.

Table 1. Summary Profile of the Local Bureaucracy of Pangantucan, 1998.

Office	Personnel			
	Permanent	Casual	Elective	Total
Executive:				
Organic	109	27	1	137
Devolved	28			28
Legislative	2	3	11	16
Total:	139	30	12	181

Source: 1998 Annual Local Government Report of Pangantucan, Bukidnon.

## Devolution

Devolved national agencies include the Department of Health, Department of Social Welfare and Development, and Department of Agriculture. All devolved employees, except two workers from Agriculture, have permanent status.

Some national line agency programs are not devolved. For example, in the *Gintong Ani Program* of the Department of Agriculture, the mayor does not decide on the type and volume of seeds distributed to the municipality's farmers. The local government is in charge only of seed distribution. When payments are collected from farmers, the funds go back to the Department of Agriculture central office. This affects the rollover scheme of the program. Table 2 shows the devolution of financial resources in Pangantucan.

Table 2. Comparative Analysis, Total Budget vs. IRA 1992 to 2000

Year	Total Budget (in million)	IRA (in million)	Other Sources (in million)	Percentage vs. Total Budget	
				IRA	Other Sources
1992	9.4	8.0	1.4	85.1	14.9
1994	11.5	10.0	1.5	86.9	13.1
1996	17.7	16.0	1.7	90.4	9.6
1998	25.0	23.0	2.0	92.0	8.0
2000	36.1	34.0	2.1	94.0	6.0

Sources: MPDO and MTO.

Pangantucan's share in Internal Revenue Allotment (IRA) has steadily increased, from P8.0 million in 1992 to P23.0 million in 1998. The IRA for year 2000 is a staggering 380% from that of 1992. The proportion of IRA in the annual municipal budget is steadily overwhelming locally generated revenues. From 85.1% in 1991, IRA grew

to 94% in the year 2000. The ratio indicates a risky dependence of the municipality on IRA – that is to say, on funds provided by the national treasury.

Over all, devolution in Pangantucan revolves around the issue of control and lack of resources. A deeper issue is how the municipality can increase its generation of funds from local resources. The municipality is not noted for innovation in obtaining additional resources from non-traditional sources.

## 1. POVERTY SITUATION

### Poverty Situation in Bukidnon

Bukidnon is among the poorest provinces in Mindanao. Although its Human Development Index increased from 0.503 in 1994 to 0.533 in 1997 and although poverty incidence decreased from 56.3 in 1994 to 55.2 in 1997, Bukidnon still has the highest number of poor families in Region X. In 1991, there were 87,499 poor families in the province (NCSB, 1991), a 44.4% increase from the 1988 recorded data (60,572).

Table 3. Poverty Situation, Province of Bukidnon 1994 and 1997.

	1994	1997
HDI <sup>a</sup>	0.503	0.533
Poverty Incidence <sup>b</sup>	56.3	55.2
Poverty Threshold	P7,253.00	P9,867.00

Sources: <sup>a</sup>Philippine Human Development Report 2000; <sup>b</sup>PPDO-Bukidnon.

### Selected Poverty Indicators in Pangantucan

Ninety-three (93%) of Pangantucan's population belong to the lower income bracket (P15,000-P39,999). Seven out of 10 inhabitants are farmers who earn an average P13,000 annually. Most reside in remote barangays where the roads are either very rough or impassable. A number of factors contribute to the very low incomes of farmers. A main factor is lack of capital. Related to this is the failure of government to shield them from the high costs of farm inputs and low prices of farm produce. The situation is aggravated by high interest rates and the buying scheme imposed by local financiers, the most common source of credit for Pangantucan farmers. Past municipality assistance was limited to providing some post harvest facilities and capability building.

Access to water and sanitation is difficult in Pangantucan. In a study conducted in 1993, Pangantucan was among six Bukidnon municipalities with the the most

severe water supply problems. Pangantucan's water comes largely from springs. Because 9 out of 10 Pangantucan inhabitants are serviced by Levels I & II water systems (Table 6), they need to collect water outside of their homes. In the dry season, it takes an average of 1 hour to collect water. In the wet season, water collection still takes an average of 35 minutes.

Table 4. Poverty Situation in Relation to Selected Indicators, Pangantucan, Bukidnon, 1998.

Condition	No. out of 10 Families
Average Annual Income	
Below ave. (P39,999 below)	9
P16,000-30,000	3
P15,000 and below	6
Have access to water	
Level I (at point source)	5
Level II (communal faucet)	4
Level III (individual house connection)	1
Have access to electricity	3
Have access to toilet	
Water sealed	4
Non-water sealed	5
No toilets at all	1
Shelter materials	
Makeshift	3
Light	4
Mixed	2
Strong	1

Sources: MPDO (data culled from comprehensive barangay profiles).

Table 5. Poverty Situation in Relation to Access to Education, Pangantucan, Bukidnon, 1998.

Education	No. out of 19 Barangays
Barangays with Pre-school (Day Care Centers)	19
Barangays with complete primary (Gr. I-IV) school	19
Barangays with complete elementary school	18
Barangays with high school	5
Barangays with multi-level classes	10

Sources: MPDO (data culled from comprehensive barangay profiles).

Table 6. Classification of Water Supply Levels.

Level	Description
I	<ul style="list-style-type: none"> <li>• a system at source protected by a well or a developed spring with an outlet but without a distribution system;</li> <li>• generally adaptable for rural areas where the houses are thinly scattered; and,</li> <li>• serves about 15 households.</li> </ul>
II	<ul style="list-style-type: none"> <li>• a system composed of a source, a reservoir, a piped distribution network, and communal faucets;</li> <li>• suited for rural and urban fringe areas where houses are clustered densely; and,</li> <li>• one faucet usually serves four to six households.</li> </ul>
III	<ul style="list-style-type: none"> <li>• a system with a source, a reservoir, a piped distribution network and household taps;</li> <li>• generally suited for densely populated urban areas.</li> </ul>

Source: MPDO.

Closely related to the water supply problem is access to sanitary toilets. In Pangantucan, more than half of the population does not have water-sealed toilets. Five out of 10 households use the *antipolo*-type, while 1 out of 10 does not have any toilet at all.

In Pangantucan, not all barangays have electricity. Barangays with access to electricity are located mostly along the major road. The local power cooperative reportedly refuses to prioritize connection of electricity to remote barangays, unless the barangay folks volunteer their labor in installing electric posts. Electric power in barangays is limited only to households around the center of the area. Barangays with the biggest number of households with electricity connection is Poblacion and Madaya with a ratio of 7 and 6 out of 10, respectively. The rest have either 2 or 3 out of 10 households, while two barangays (Gandingan and Mendis) have none.

Most residential units in Pangantucan are either makeshift or made of light materials. The most common materials for housing are bamboo and nipa. Only about 10% of the population live in houses that can be described as "strong."

Pangantucan's health services are delivered partly by a 16-person Municipal Health Office, which is staffed by one doctor, a dentist, a medical technologist, a nurse, a dental aide, a sanitary inspector and 10 midwives. In 1998, all barangays were provided with a midwife and a Barangay Health Worker, whose salaries are paid by the barangay. The municipality is also a station for a German medical mission. Doctors of this mission alternate with the municipal physician in holding on-site barangay clinics. The leading cause of morbidity is acute respiratory infection. Accidents and cardio-vascular diseases are the leading causes of mortality. Since there are no hospitals in the municipality, patients are brought to the nearest one in Kadingilan or in Valencia.

Education services in Pangantucan suffer from inadequate resources and a lack of interest among parents to send their children to school. Although nearly all barangays have a complete public preparatory and elementary schools, some classes in these schools admit multi-level pupils. Students in a multi-level class comprise different grades in the elementary course. For instance, grades 1 and 2 pupils could be in one classroom and share

one teacher. The Department of Education, Culture and Sports (DECS) blames this on the lack of teachers in some barangays and lack of students in others. In 1998, the DECS reported a 96% enrollment rate and 96% participation rate of enrollees. The survival rate is 88% and the graduation rate, 79%.

## 2. POVERTY ALLEVIATION THROUGH THE MBN APPROACH

### **Basic Description of MBN**

The Minimum Basic Needs (MBN) approach to poverty alleviation was at the core of the Social Reform Agenda (SRA) of the Ramos Administration. The SRA was launched in 1995 at a time when the country was experiencing unprecedented economic growth. The SRA hoped to alleviate conditions in areas where economic growth failed to reduce poverty. Proclamation No. 548 and Administrative Order 194, issued successively in 1995, promulgated the MBN approach as the main strategy of the SRA.

In general, the MBN entails determining the unmet needs of a community, planning appropriate action, and monitoring the effectiveness of these actions. Central to it is "the installation of an information system at the barangay level, whose primary purpose is to make the community use the information to determine what measures they can undertake to respond to these problems."

MBN as information system. The MBN consists of 10 essential human needs classified into survival, security and enabling needs. To satisfy each need, a number of minimum requirements (referred to as indicators) should be present at the household level. There were originally 33 indicators. These were later reduced to 21. A four-page monitoring form (MBN Form 1: MBN Family Status) is used to determine unmet needs. It is meant to be accomplished on a yearly basis, normally during the first quarter of the year. The results of the preceding year's survey becomes the basis of action in the current year. To guarantee transparency, barangays are encouraged to display community data boards and spot maps. These inform the public as to the MBN situation in their locality. The boards also serve as a "form of social pressure for the community and the government to respond to problems in the locality."

The barangay as locus for MBN implementation. The Barangay Development Council is responsible for planning

and monitoring activities aimed at addressing the unmet needs revealed by the MBN survey. The Barangay Development Council consists of elected barangay officials and selected community leaders who represent organized groups operating in the area.

While action is expected to be localized, "it has been advocated, however, that the information is transmitted to higher levels to make the later understand the condition of lower political boundaries." In the case of a municipality, the main players responsible for overseeing the MBN at the barangay level are the mayor, his co-workers at the executive branch, the Sanggunian Bayan, and representatives of POs and NGOs in the area. Together, they may form an MBN Technical Working Group (MTWG) and take charge of "advocacy, capability-building, technical support for instituting the MBN approach at lower levers and consolidation/analysis of MBN information."

### **MBN Implementation in Pangantucan**

With help from the Provincial Planning and Development Office, the Pangantucan local government carried out an orientation and training on the MBN in 1995. The first MBN survey was conducted in mid-1996 but its results were collated only at the end of the year. They were not reflected in the development projects submitted to the province for funding that year

It was after 1996 that the implementation of the MBN in Pangantucan took a positive turn. This was due to several factors. First, the results of the first survey became available and ready for use in planning. In the next three years (1997-1999), the municipality managed to complete the survey within the first quarter of each year. Except in 1999, data collation immediately followed. Even in 1999, however, the results were used in the planning of the municipality for the following year.

The Municipal Health Office staff, along with volunteer Barangay Health Workers, took an active role in doing the survey. An enhancement seminar on the MBN was held for them in November 1998, following the election of a new, first-term mayor. A civil society initiative called the "SRA Localization Project" complemented existing MBN efforts. This project meant to develop an SRA agenda at the barangay level through regular consultations with community residents and the use of mandated venues for barangay interaction like the Barangay Development Council

and barangay council meetings. The SRA agenda drawn from the people serve to countercheck the validity of the results of the MBN survey. In December 1997, a Pangantucan convened a Municipal Anti-Poverty Summit. This signalled the beginning of a higher level of cooperation between the municipality and civil society.

### **The MBN Survey Results (1996-1998)**

From 1996 to 1998, the number one unmet need in Pangantucan was lack of income. People of Pangantucan said either their incomes were not sufficient to cover the expenses of their households or they were not sufficiently employed. According to the Municipal Planning and Development Office, it discovered after the 1996 survey that many folks did not consider farming as employment. The inference is that incomes from farming have been inadequate.

In 1996, the number two unmet need was related to people's participation. Many people said they were not members of any association in their communities. In subsequent years, this dropped to the fourth and fifth slots, respectively, signifying that there were interventions to meet this need.

Other significant unmet needs were classified as survival needs. In 1996, the observation that solo parents were not availing of health services ranked number three. This, however, did not appear anymore in the top five of subsequent survey results, again suggesting that this was effectively addressed. Instead, the need to have access to sanitary toilets figured prominently, ranking number two in 1997 and 1998. It was number four in the 1996 MBN survey.

Finally, at the bottom of the 1996 MBN survey was the need for basic education services for pre-school children. This stayed at the bottom in 1997 and moved one slot higher in 1998. The top five priority unmet needs from 1996 to 1998 have been arranged in a matrix and shown in Table 7.

Table 7. Top Five Priority Unmet Needs, 1996-1998.

	1996	1997	1998
1	<b>Income/Employment</b> Family members 18 and above employed	<b>Income/Employment</b> Families with income above subsistence threshold level	<b>Income/Employment</b> Families with income above subsistence threshold level
2	<b>People's Participation</b> Family members involved in a PO/Association, community development	<b>Water/Sanitation</b> Access to sanitary toilets	<b>Water/Sanitation</b> Access to sanitary toilets

3	<b>Health</b> Solo parent availing of health services	<b>Income/Employment</b> Family members 18 and above employed	<b>Income/Employment</b> Family members 18 and above employed
4	<b>Water/Sanitation</b> Access to sanitary toilets	<b>People's Participation</b> Family members involved in a PO/Association, community development	<b>Basic Education</b> Children 3-6 years old Attending day care/pre-school
5	<b>Basic Education</b> Children 3-6 years old Attending day care/pre-school	<b>Basic Education</b> Children 3-6 years old Attending day care/pre-school	<b>People's Participation</b> Family members involved in a PO/Association, community development

Source: MPDO

### Poverty Alleviation Programs in Pangatucan from 1996-1998

Table 8 summarizes the poverty alleviation projects carried out in Pangantucan according to priority needs. It was assembled from interviews with project staff. It needs to be explained that the municipality customarily allocates the 20% local development portion of its annual budget for infrastructure-related needs. Hence, the intervention for other unmet needs has been assigned under the different departments' existing programs.

Table 8. Top Five Unmet Needs Based on the MBN Survey, and Corresponding Municipality Poverty Alleviation Programs, 1996 to 1998

Income/ Employment	People's Participation	Health	Water & Sanitation	Basic Education
<i>Other family members, 18 yrs old &amp; above employed Families with income above subsistence threshold level</i>	<i>Family members involved in at least one (1) PO/ Association, community development</i>	<i>Solo parents not availing of health services</i>	<i>Access to sanitary toilets</i>	<i>Children 3-6 years old attending day care or pre-school</i>
<b>Provision of infrastructure</b> - Farm-to-market roads - Post harvest facilities - Irrigation	<b>Information drives</b>	<b>Provision of medical and dental care and midwifery services</b> - Family planning - Maternal care - TB patient - Rehabilitation	<b>Provision of water system</b>	<b>Provision of day care centers</b>
<b>Livelihood programs</b> - Provision of capital - Animal dispersal - Seedling subsidy - Municipal nursery	<b>Reorganization/strengthening of coops</b>	<b>Barangay consultations</b>	<b>Establishment of Pangantucan Water Authority</b>	<b>Training of day care center teachers</b>
<b>Provision of agricultural technology &amp; capability building</b> - variety shifting - farmers' class - salt farming	<b>Community volunteer resource dev't.</b>	<b>Child care and nutrition program</b> - Immunization - Micronutrient supplement	<b>Provision of locally fabricated toilet bowls</b>	<b>Provision of honoraria</b>
	<b>Partnership with AADC</b>	<b>Provision of sanitary facilities</b>	<b>Watershed development plan (LGSP)</b>	
		<b>Food sanitation provision</b>		
		<b>Partnership</b>		

**Table 8. Top Five Unmet Needs Based on the MBN Survey,  
and Corresponding Municipality Poverty Alleviation Programs, 1996 to 1998**

Income/ Employment	People's Participation	Health	Water & Sanitation	Basic Education
<i>Other family members, 18 yrs old &amp; above employed Families with income above subsistence threshold level</i>	<i>Family members involved in at least one (1) PO/Association, community development</i>	<i>Solo parents not availing of health services</i>	<i>Access to sanitary toilets</i>	<i>Children 3-6 years old attending day care or pre- school</i>
<b>Marketing support</b> - NFA link-up - Buyer information dissemination		<b>with German doctors</b>		
<b>Agriculture and modernization plan (AFMA)</b>				

### 3. CASE STUDY FINDINGS

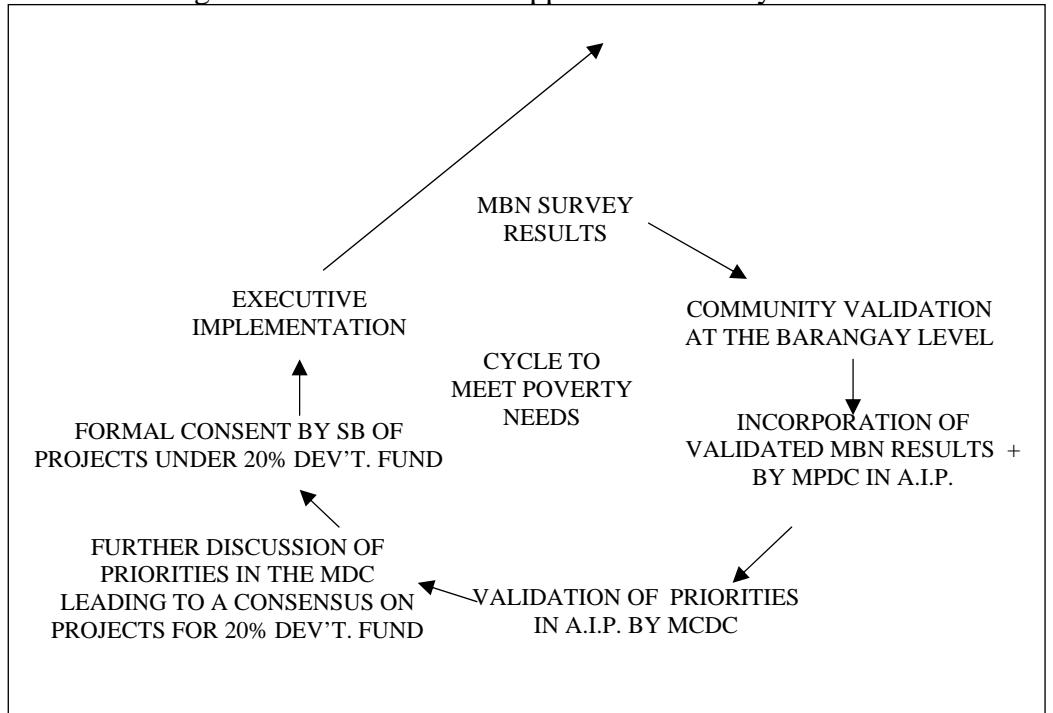
Pangantucan did not strictly follow the MBN approach as originally conceived. Instead, the municipality modified it to suit its needs and conditions. This is referred to as the modified MBN approach (Figure A).

The modified MBN approach saw the convergence of efforts of the municipality and the members of the local PO coalition, Agri-Aqua Mindanao. Without the participation of the community and the organized POs, the barangays of Pangantucan would not have been ready to participate in solving their development problems. Had the municipality wavered in its commitment to the MBN approach, the formal venues for participation would not have been readily available for the poor. Combined, the municipality's strong support for the MBN approach and Agri-Aqua's community mobilization efforts produced a dynamic partnership for responding to the needs of the poor.

Community people actively participated through barangay assemblies. Initially, these meetings were conducted separately by Agri-Aqua Mindanao and the municipality. Agri-Aqua Mindanao conducted consultations to draw up a localized social reform agenda. The municipality held its own meetings to validate the MBN results. Eventually, in 1998, the two were merged in most of the barangays since they had a common goal: to determine the urgent, genuine needs of Pangantucan's poor.

There were 14 POs and NGOs accredited by Pangantucan's Sangguniang Bayan as of 1998. Six of these were affiliated with Agri-Aqua Mindanao, a coalition. There are some 15 Local Special Bodies. The two Local Special Bodies that play critical roles in the modified MBN approach are the Municipal Cooperative Development Council and the Municipal Development Council. The poor are adequately represented in these bodies.

Figure A. Modified MBN Approach to Poverty Alleviation.



At the start of every year, the Department of Interior and Local Government convenes the accredited POs that in turn choose their representatives to the Municipal Cooperative Development Council, Municipal Development Council, and other Local Special Bodies. At all times, the municipality simply concurs with the PO choices such as when the local chief executive issues an executive order formalizing the appointment and membership of the PO leaders in the Local Special Bodies. The PO leaders are expected to regularly relate with their members because failure to do so would guarantee their non-election the following year or in extreme cases, summary dismissal.

The MBN interventions are agreed upon in the Municipal Cooperative Development Council and the Municipal Development Council, which meet monthly. The Municipal Planning and Development Council prepares the list of

interventions (incorporated in the Annual Investment Plan of the municipality) and presents it to the Municipal Cooperative Development Council for validation and prioritization. Next, the narrower list is discussed in the Municipal Development Council, where representatives of POs and elected barangay leaders meet. In both discussions, there is intense debate and deliberation. In the end, however, consensus is reached and submitted to the Sangguniang Bayan as a resolution on how to allocate the 20% development fund.

In the opinion of non-PO representatives in the Local Special Bodies, the performance of PO leaders in the Municipal Cooperative Development Council and the Municipal Development Council has been satisfactory. They are said to be vocal and aggressive. To the credit of the municipality, PO leaders in Local Special Bodies are treated without discrimination and get equal opportunities as other members.

Agri-Aqua Mindanao did not deliberately ask to be put in charge of community social preparation. In 1996, when the SRA was new, there was a call to localize the SRA. Agri-Aqua responded because it was convinced that enhancing the participation of the poor in governance would greatly improve their conditions. Since 1998, it has adopted twin strategies for participatory governance: building barangay dynamism (based on community organizing principles) and selling the very idea of participation in governance (based on social marketing principles). A key to these strategies, the coalition discovered eventually, was consolidating PO leadership in the community.

Barangay dynamism was created by fostering lively interaction between the barangay folks and their elected barangay officials. Agri-Aqua and the barangay leaders organized community assemblies to discuss and find ways to solve urgent local problems. Agri-Aqua also sought to make the Barangay Development Councils truly functional by securing for the POs their right to be adequately represented in them. Finally, it lobbied with the barangay council members to incorporate the localized social reform agenda into the barangay development plan with sufficient resources to match.

Agri-Aqua's social marketing strategy targeted two audiences: the municipality officials, principally those in the barangay level, and the PO leaders from the barangays. The products came as a pair as well: the localized social reform agenda and participation in governance. The lead social

marketer was Agri-Aqua's coalition builder in Pangantucan. He used several social marketing tools like community billboards, newsletters, and the regular meetings at the barangay level. All done, he was counted upon to make the targets realize that the common public good could best be achieved through meaningful collaboration between the municipality and its constituents.

As soon as the idea of participation took root and after formal barangay structures became animated, a select group of PO leaders began operating at the municipal level, particularly in Municipal Cooperative Development Council and the Municipal Development Council. In the former, some council members were PO leaders from Agri-Aqua Mindanao. Four of them were selected to sit in the Municipal Development Council. These PO leaders headed farmers' cooperatives and were therefore attuned to grassroots realities. In addition, they underwent a political education seminar sponsored by Agri-Aqua.

---

### SELLING THE IDEA OF PARTICIPATORY GOVERNANCE

Geroncio ("Roning") Ohayas, the coalition builder of Agri-Aqua Mindanao in Pangantucan, found it difficult to convince the arrogant barangay chairman of Payad to practice participatory governance. When the chairman refused to convene a barangay assembly where people could be consulted on their development needs, Roning conducted smaller *purok* gatherings on his own. In these gatherings, he informed the people of the merits of community consultation and told them that their barangay chairman refused to hold such consultations. The people became angry and word quickly spread about the chairman's refusal. At the same time, Roning persuaded them that the chairman was still the best channel to find resources to solve their community problems (*I-toking kang kapitan*). They then began lobbying their chairman and to compelled him to hold barangay assemblies and reconstitute the Barangay Development Council.

Yielding to this pressure, the chairman asked for Roning's help. Soon after, when the assemblies were held and a functional Barangay Development Council was set-up, the once arrogant chairman finally became convinced that community problems were solved more easily when acted upon collectively (*usa ka baryohan*).

---

In carrying out the modified MBN approach in Pangantucan, the bias was toward community, instead of individual, beneficiaries. This may be attributed to the constant interaction between ordinary folks, PO leaders, barangay officials, and municipality officials. The

interactions dealt more with communal, instead of individual, benefits. Besides, the standard MBN tools (community data boards and spot maps) showing the individual unmet needs per area were not found to be useful.

Before 1997, there were three priority communities under the SRA in Pangantucan: Bangahan, Lancataon, and Kipaducan. Leaders of other barangays did not like this because they said the selected barangays were hardly the most deprived. By 1998, this practice was eliminated and all barangays vied equally for poverty alleviation projects or for a share of the 20% local development fund.

Having mechanisms to validate the most urgent needs of the poor (MBN surveys, barangay consultations) facilitated the allocation of relevant poverty alleviation projects among the different barangays. More important, Pangantucan has people skilled in consensus-building. These are the mayor, the Municipal Planning and Development Coordinator (incidentally, the mayor's son), and the Agri-Aqua Mindanao coalition-builder.

The mayor can effectively mediate differing interests among his barangay leaders. When conflicts arise, he uses gentle persuasion to reach a settlement. He calls on their sense of fairness and goodwill, and reminds them of the simple truth about the municipality's limited resources. This is described locally as *pag-angay-angay*.

---

#### PAG-ANGAY-ANGAY

**Mayor Garces is a Boholano by origin. Like a Boholano father, he admonishes his children to share the family's resources equally. In Pangantucan, his official children are the barangay chairmen and the scheme is what barangay captains have started to call "pag-angay-angay."** Once in a meeting, the barangay chairpersons "fought" over the distribution of an infrastructure project. The chairman of Portulin already had a number of projects. These included farm-to-market road maintenance, electrification and medicine. The chairman of Kipaducan asked that the road maintenance project awarded to Portulin be diverted to his barangay, since its roads become impassable at a slight rain. A heated discussion followed. Soon, the Mayor intervened and convinced the chairman of Portulin to give way, on condition that his counterpart in Kipaducan return the favor when it was Portulin's turn to invoke "pag-angay-angay." Kipaducan got what it needed and Portulin shared what it had.

---

In the Municipal Cooperative Development Council and the Municipal Development Council, the lead facilitators are

Agri-Aqua's coalition builder and the Municipal Planning and Development Coordinator, who sits on behalf of the mayor. They both put a premium on the common good when planning how to spend the 20% development fund.

The data boards and spot maps posted by the MPDO were confined again to the three SRA convergence barangays. These were hardly noticed or used by ordinary folks, and in some cases, by the barangay officials themselves. Children played with them and soiled them with graffiti. This prompted the municipality to retrieve them in early 1998. Agri-Aqua's own community billboards, posted in all barangays, suffered the same fate.

In the beginning, the implementation of the MBN was directed by the MBN Technical Working Group (MTWG), which the local government formed in 1996. It took a year after its creation before the MTWG had its first real meeting. Since 1998, the MTWG has not really functioned. Its supposed duties were reverted to more permanent units in the local government unit. The only operational body was the Municipal Planning and Development Office, which served as the coordinating arm of the modified MBN approach. This was formalized through a an agreement between the local government and Agri-Aqua Mindanao in 1999.

In contrast, the different units involved in the dynamic process of responding to the unmet needs know their respective roles and discharge their functions well. At the barangays, the Barangay Development Council, the barangay council and the PO-members of Agri-Aqua Mindanao all unite to draw up the priority needs of the poor. These are debated at the Municipal Cooperative Development Council and the Municipal Development Council after which the Sangguniang Bayan provides the necessary resources for its implementation. The Execom and the Municipal Project Monitoring Committee handle the monitoring of the different poverty alleviation projects. Finally, the Municipal Planning and Development Office provides secretariat support to the process.

The Municipal Planning and Development Office as the main unit in-charge of the modified MBN approach has only two permanent employees: the Municipal Planning and Development Coordinator and a statistician. At present, there are four casuals under it, two as support to the MBN, and another two assigned to facilitate the comprehensive land use planning. The Municipal Planning and Development Coordinator said that to complete his unit, he

needs two additional staff to function as planning officer and as zoning inspector.

The Sangguniang Bayan is an ally of the modified MBN approach. In 1998, it gave up the equivalent of pork barrel called the Barangay Public Assistance, which is worth an annual P100,000. This fund, which used to be dispensed according to political exigency, now supports health projects and farm-to-market roads. Further, when the Municipal Development Council submits its priority list of projects for the 20% development fund, the Sangguniang Bayan defers to it since the representatives to the Municipal Development Council, according to its members, are “the voice of the people.”

Last September 1999, in a municipal conference organized by Agri-Aqua Mindanao, an agreement was signed by the mayor of Pangantucan in which he committed the municipality to sustain participatory governance. Concretely, he pledged to strengthen further the mechanisms for PO-municipality coordination such as the Municipal Cooperative Development Council and the Municipal Development Council and their equivalents in the barangays.

When the poverty alleviation projects have been agreed upon, two units handle the monitoring function: the Execom and the MPMC. The Program of Works (PoW) is the accepted basis for monitoring projects. This is used when the Municipal Project Monitoring Committee members monitor infrastructure projects in Pangantucan. In the case of projects related to health, education and the like, department heads report on their status during their monthly Execom meetings. Between the two, the Municipal Project Monitoring Committee draws more participation from civil society. By involving barangay folks in the monitoring work, basic services are delivered more swiftly and infrastructure projects are completed as planned. However, it should be noted that the current emphasis on monitoring has deflected the attention of the Municipal Project Monitoring Committee and the Execom on the value and importance of evaluation.

The Municipal Project Monitoring Committee was created by virtue of Memorandum Order No. 175 issued May 25, 1988 by the Department of Interior and Local Government. In Pangantucan, the Municipal Project Monitoring Committee has been existing for sometime; as of April 1999, it is composed of the Municipal Planning and Development Council, two representatives from the Sangguniang Bayan,

the Local Government Operating Officer of the Department of Interior and Local Government, and three representatives from civil society. In general, its functions are to collect information on the overall status of the projects supported by municipality funds, to detect problems in the implementation, and to propose to the municipality remedial action.

A member of the Municipal Project Monitoring Committee works voluntarily, without honorarium or additional compensation. He joins two other members in conducting ocular visits to project sites once every two weeks. As per practice, private contractors do not get their full payment or the Department of Public Works and Highways does not get proper clearance for its work without the Municipal Project Monitoring Committee members affixing their signatures on their completion reports. Thus, this has earned for the Municipal Project Monitoring Committee a reputation among contractors and the Department of Public Works and Highways in Bukidnon. Because the Municipal Project Monitoring Committee openly exposes irregularities, the replacement of its members has been petitioned many times over.

According to the present chairperson of the Municipal Project Monitoring Committee, Sangguniang Bayan Kagawad Francisco Mabaso Jr., the Municipal Project Monitoring Committee takes its monitoring work in the field one step ahead. "We don't simply inspect the physical product. We mingle with the barangay folks and solicit from them their views on how the project was implemented. Occasionally, we receive feedback as well on non-infrastructure projects. We accept the information and forward the same to the department head concerned."

In the case of the infrastructure projects paid for by the 20% development fund, the Program of Works are prepared by the Municipal Engineer. His staff is adequately equipped with the necessary technical skills in preparing needed project documents. As soon as the Program of Works is approved by the mayor, the Municipal Engineer negotiates with the barangay concerned about the division of work and the local counterpart of the barangay, if any. The documents relevant here are the Notice to Proceed issued by the mayor.

During the key informant interviews, the informants seldom offered any data on the evaluation of the poverty alleviation projects or on the modified MBN approach itself, suggesting the municipality's low regard for evaluation. The

mayor sought to explain this during the exit conference, saying: "It is during Execom meetings that we evaluate each of the poverty alleviation projects. Barangay folks also participate in the evaluation during the information drive we conduct once or twice annually." The two measures mentioned, however, do not constitute a systematic process of evaluation.

---

### **PEOPLES ORGANIZATION EMPOWERED IN MONITORING**

**Pangantucan** prides itself as a municipality in Bukidnon with an efficient system for monitoring government projects. It equally takes pride in its empowered People's Organizations (Pos), which regard their involvement in monitoring as a right. At the opposite side is the Department of Public Works and Highway (DPWH) – notorious in the province for poor and questionable performance.

In Barangay Gandingan, local cooperative leader Wenry Resurreccion confronted a bulldozer operator who failed to produce an approved Program of Work (PoW) for a DPWH-administered, P1-million road project of the district congressman. A PoW sets the specified output of a government project. Since he was not sure if the DPWH would implement the project according to plan, Wenry refused to have it started. He sent the bulldozer back to the DPWH equipment pool. The following day, after a copy of the PoW had been handed to Wenry, the project finally started but not without Wenry's watchful monitoring.

In Barangay Malipayon, a water system was to be installed by the DPWH. The POs, upon checking against the PoW, discovered that the pipes used were overpriced. Armed with a barangay council resolution and a comparative cost analysis from a canvass they prepared, the POs complained to the DPWH. The complaint won for the barangay P80,000 in savings on the project cost. With follow-up negotiations made, the DPWH reprogrammed the project from a Level I to a Level III water system.

In Barangay Portulin, a local cooperative took the initiative to assign a member of its Board of Directors to monitor the progress of project implementation. Because the project was coursed through the municipal government, the POs based their monitoring from the PoW they obtained from the Municipal Engineer's Office. Together with the Barangay Council, the PO member checked the number of man-hours spent and the fund releases to the project. At the project's completion, both the Barangay Council and the PO were satisfied with the project output.

---

### **Less Significant Factors**

Linkage with MBN. The MBN was used as a tool to uncover unmet needs at the community, and not the individual, level. This community bias attracted popular participation. However, the value of data boards, spot maps,

and the MBN Technical Working Group was considered negligible since they did not serve their purpose.

Resource generation and mobilization. Pangantucan uses its annual Internal Revenue Allotment as the main source of funds for poverty alleviation projects. For year 2000, 94% of its annual budget was drawn from the IRA, a situation many consider as risky. Recently, under the present mayor, new schemes are being conceptualized to raise more revenues for poverty alleviation, such as higher land use taxes. A steady source of funds that has remained through the years, although unaccounted, is the people's local counterpart, usually in the form of labor and some materials.

Policy framework and implementation plan. Pangantucan does not have a broad anti-poverty plan. Its poverty alleviation projects are incorporated in its Annual Investment Plan. Specific project implementation plans for these projects are defined either in the Program of Works or the individual work plans of department heads. However, the case study writer does not consider the Annual Investment Plan and the Program of Works to be adequate programs for reducing poverty in the municipality. The absence of a broad plan can be attributed to the municipality's inability to undertake long-term planning. The observation is that local officials in Pangantucan are not forward-looking. They usually act by "oido" (playing it by ear).

Convergence of local-national efforts. The modified MBN approach used in Pangantucan has its roots in the Ramos administration's Social Reform Agenda. However, since 1997, poverty alleviation projects in Pangantucan have been largely local initiatives and only remotely linked to any national anti-poverty program. One result is that the municipality has apparently missed out on getting a share of national funds for poverty alleviation (had there been any).

### Critical Factors and Indicators

Tables 9 and 10 present summaries of the critical factors and indicators of good governance that affected poverty alleviation projects in Pangantuan. The 3-point system below is used to assign ratings to these factors and indicators:

<u>Rating</u>	<u>Description</u>
0	factor or indicator totally absent
0.5	factor or indicator partially manifested
1.0	factor or indicator clearly present

Table 9. Summary of Critical Factors.

Factor	Rating	Bases for Rating
Focused targeting	1.0	<ul style="list-style-type: none"> <li>Community &amp; individual beneficiaries pinpointed from MBN surveys &amp; Agri-Aqua/PO barangay consultations</li> </ul>
Clear policy framework	0	<ul style="list-style-type: none"> <li>No capacity for long-term planning, manifested in absence of agricultural devt. plan</li> </ul>
Clear implementation plan	0.5	<ul style="list-style-type: none"> <li>Tendency of municipality officials to rely on intuition in planning</li> </ul>
Coherent structure	1.0	<ul style="list-style-type: none"> <li>Municipality units and POs aware of respective roles and discharge functions well</li> <li>MPDO as coordinating arm of modified MBN approach</li> </ul>
Resource generation and mobilization	0.5	<ul style="list-style-type: none"> <li>PAP IRA-dependent</li> <li>Abundance of non-traditional source of funds (bayanihan spirit among bgy. folks)</li> </ul>
Competent and adequate human resources	1.0	<ul style="list-style-type: none"> <li>Municipality &amp; POs easily mobilized for PAP</li> <li>Municipality technically skilled</li> </ul>
Collaboration and convergence of efforts among stakeholders (municipality-civil society)	1.0	<ul style="list-style-type: none"> <li>Combination of municipality positive support for modified MBN approach and Agri-Aqua's/POs' repeated community mobilization efforts</li> </ul>
Collaboration & convergence of efforts among stakeholders (local-national)	0	<ul style="list-style-type: none"> <li>Modified MBN approach not linked with any national program</li> </ul>
Appropriate social preparation for the community	1.0	<ul style="list-style-type: none"> <li>Presence of Agri-Aqua's SRA localization project, with twin strategies (CO and social marketing)</li> </ul>
Transparent & participatory monitoring and evaluation	1.0	<ul style="list-style-type: none"> <li>Active MPMC for infrastructure projects and Execom for non-infrastructure projects</li> </ul>
Linkage to MBN continuum	0.5	<ul style="list-style-type: none"> <li>MBN used to determine unmet needs</li> <li>Barangay as locus for community action attracted popular participation</li> <li>MTWG and data boards and spot maps non-functional</li> </ul>

Table 10. Summary of Critical Indicators

Indicator	Rating	Bases for Rating
Accountability	1.0	<ul style="list-style-type: none"> <li>Operating units (GO &amp; NGO) from bgy. up to municipality, with (a) clearly-defined roles in cycle to respond to unmet needs, &amp; (b) high regard for public good</li> <li>PO participation in LSBs like MCDC and MDC; broad-based support for PO representatives</li> <li>Efficient monitoring system</li> </ul>
Transparency	1.0	<ul style="list-style-type: none"> <li>Open access of PAP information to POs, facilitated by municipality thru MCDC and MDC or PoWs</li> <li>Regular public meetings to collectively discuss community problems and remedial actions</li> </ul>
Responsiveness	0.5	<ul style="list-style-type: none"> <li>Repeated proclamation of pro-poor bias by municipality, concretized by short-term PAPs</li> <li>No long-term planning capacity and bent, evidenced by absence of a comprehensive agricultural development plan</li> </ul>
Participation of	1.0	<ul style="list-style-type: none"> <li>Active PO participation in processes for identification</li> </ul>

**Table 10. Summary of Critical Indicators**

Indicator	Rating	Bases for Rating
civil society		of problems, decision-making on suitable PAPs, and monitoring of project completion <ul style="list-style-type: none"> <li>• Social preparation of community for modified MBN approach facilitated by Agri-Aqua</li> </ul>
Leadership	1.0	<ul style="list-style-type: none"> <li>• Moral ascendancy of LCE and broad based support for PO leaders</li> <li>• <i>Pag-angay-angay</i> and pursuit of common good: values prevailing in LCE and co-workers in government and in PO leaders</li> </ul>
Shared vision	0.5	<ul style="list-style-type: none"> <li>• Very short-term (priorities for 20% devt. fund)</li> <li>• No long-term planning capacity and bent, evidenced by absence of a comprehensive agricultural devt. plan</li> </ul>
Continuity and sustainability	1.0	<ul style="list-style-type: none"> <li>• Process described in modified MBN approach evolved from collective experience of stake-holders committed to poverty alleviation</li> <li>• MOU signed between municipality and Agri-Aqua to sustain mechanisms for participatory governance</li> </ul>
Capacity for consensus building & conflict mgt.	1.0	<ul style="list-style-type: none"> <li>• <i>Pag-angay-angay</i> and pursuit of common good: values instrumental in preserving harmony within government as well as in municipality-PO relations</li> </ul>
Interdependence	1.0	<ul style="list-style-type: none"> <li>• Convergence of municipality-PO efforts, manifested in joint community validation exercises, in working towards barangay dynamism, in MPMC, etc.</li> </ul>
Appropriate & adequate resource generation & mobilization	0.5	<ul style="list-style-type: none"> <li>• Bayanihan spirit among barangay folks common and prevalent</li> <li>• IRA dependence of PAP risky</li> </ul>
Efficient & professional capacity/ service- & client-orientedness	1.0	<ul style="list-style-type: none"> <li>• PAPs introduced based on actual needs of people in the community</li> <li>• municipality technically skilled</li> </ul>
Capacity to produce and deliver quality products and services	0.5	<ul style="list-style-type: none"> <li>• Some most urgent unmet needs addressed like health-related</li> <li>• Other unmet needs still being responded to</li> </ul>

#### 4. RECOMMENDATIONS

This case study shows that a poverty alleviation project is effective if there is a strong sense of ownership by the targeted beneficiaries. The process that evolved in Pangantucan (see Figure A) shows the stages where community participation is strategic. It was the active participation of the organized POs in Pangantucan that made this process dynamic. Specifically, concrete results happened when:

- The combined MBN results and the localized SRA of Agri-Aqua Mindanao became the basis for planning and decision-making on poverty alleviation projects; and,

- The MBN approach was not treated as the exclusive responsibility of the municipality but adopted by a multisectoral group that had strong PO representation.

The modified MBN approach to poverty alleviation should be legally formalized. A local ordinance from the Sangguniang Bayan must mandate that this process be the norm for all development activities in Pangantucan. The different municipality units must be obliged to use the modified MBN approach so that early gains in poverty alleviation can be sustained.

There are several opportunities where legalizing the modified MBN approach can happen. For example, the Municipal Planning and Development Office is currently preparing the Five-year Comprehensive Municipal Development Plan is one. One of the plan's provisions could be the enactment of a local ordinance on the MBN. Another opportunity is the development of a land use plan, which the local government has wanted to do since 1998. Perhaps the most important opportunity for the MBN is in the drafting of a long-term agricultural development plan, which the local government also wants to pursue. This is because majority of the poor in Pangantucan are farmers.

Barangay-level structures should be constantly motivated to become actively involved in poverty alleviation activities. Without regular barangay assemblies or the proper constitution of Barangay Development Councils, there can be no dynamic interaction between the barangay folks and their elected officials. Municipal-level structures should also become constantly involved. The potential of bodies such as the MCDC, MDC, MPMC and other LSBs have not been maximized. This is seen in their minimal participation in the evaluation of poverty alleviation projects, for example. Competent project evaluation is critical to the success of the modified MBN approach in Pangantucan.

The current leadership is credited for opening up government to the people. The qualities of leadership that it must continually exhibit and enhance are: (a) a strong pioneering spirit, (b) the capacity for team-building among co-workers in government, and (c) a facility in generating regular participation from the private sector and civil society. The present mayor's record, both public and private, attests to a strong pioneering spirit. It is this same spirit that he should cultivate and apply in alleviating the conditions of the

majority of the poor in Pangantucan, which is to say, those in the farming sector.

Individuals, however, do not make government. The mayor's co-workers in the bureaucracy play equally important roles. However, it was observed that the municipality's rank-and-file workers still lack skills and commitment and need to be exposed to capability-building activities. There are ongoing linkage with the Civil Service Commission for the upgrading of skills. This is a step in the right direction. However, this must be supported by efforts to transform Pangantucan's public servants from rules-driven to mission-driven workers. The local government must take affirmative action to bring this about immediately. One model that could be considered is the Productivity Improvement Program of Naga City.

Pangantucan should take steps to make its poverty alleviation programs less dependent on IRA. The municipality should establish resource linkages with national government programs and their administrative agencies, as well as with Congress, since these bodies hold immense resources. Less reliance on IRA for poverty alleviation funding means that the municipality avoid cuts in its 20% development fund. This is bound to happen any time the municipality's IRA share is arbitrarily reduced by the national government.