

THE PLPEM: HELPING DAVAO DEL NORTE MAKE THINGS HAPPEN*

Honorable Governor Rodolfo del Rosario, Honorable Vice Governor Victorio Suaybaguio, Honorable Members of the Sangguniang Panlalawigan and the Provincial Development Council, City and Municipal Mayors, Heads of Provincial Offices and Staff - a pleasant morning to all of you!

I am deeply honored to be invited to address your Convocation today. I find occasions like this very important as they provide opportunities for us to renew and strengthen our partnership in promoting the development of your province and our region. This Convocation offers me the chance to share with you how we can assist your province to continuously perform its crucial task of leading your component cities and municipalities, as well as effectively assume its critical role in regional development. For this, I would like to thank my friend here, Mr. Raffy Erfe, your Provincial Coordinator for Planning and Development, for the invitation; and whose group, I learned, is sponsoring this activity today – Thank you!

Our office, the National Economic and Development Authority, and the Provincial Government of Davao del Norte have a long history of fruitful partnerships. Since NEDA Regional Office XI was set up in 1974, it has been providing technical assistance to local government units in terms of development planning, land use and physical planning, investment programming, project development, and project monitoring and evaluation. This assistance is part of our mandate, and in many instances that we offered it to the LGUs, you were among those who responded quickly and responded well. Although I was not yet here during NEDA's early years in the region, I was already aware of your efforts. At our Central Office, I was deeply involved with the Technical Assistance on Physical Planning project through which you produced

* A message delivered by Regional Director Nicasio Angelo J. Agustin of NEDA Regional Office XI during the Convocation of the Provincial Government of Davao del Norte held on July 14, 2008 at the Bulwagan, Provincial Capitol, Tagum City, Davao del Norte.

your first Provincial Physical Framework Plan in the late '80s and early '90s. I was told your Provincial Planning and Development Office has been zealous in coordinating efforts towards its completion. You also produced the country's first gender sensitive Provincial Comprehensive Development Plan for which an award was conferred to you.

I have learned from my staff at NEDA that Davao del Norte always takes a lead role in trainings and workshops our office has initiated, providing us with enriching inputs and producing the required outputs. More than that, your province also takes the initiative to improve the capability of your staff without us telling you to do so. I confirm all these not only by what you have done in the past but by what you continue to do. Recently, some of your municipalities immediately seized the opportunity offered by our KR2 project; and lately, you welcomed the new planning guidelines we have crafted for the provinces, the Provincial and Local Planning and Expenditure Management or PLPEM.

Indeed, your positive responses to our initiatives not only manifest your trust in NEDA, for which we are truly grateful, but also demonstrate your dedication to the development of your province and the improvement of the quality of life of your people.

Now that I have shared with you my thoughts on what we have done together in the past, allow me now to share what we can continue to do together for your province and our region. I have mentioned the Provincial and Local Planning and Expenditure Management a while ago. You may have the impression that this is one of those many planning approaches that we normally ask the LGUs to adopt. You might think that this is the same to the planning guidelines that you have used in the past. I am sorry to disappoint you because it is not. We at NEDA believe that planning is a dynamic process and a planning approach may cease to be relevant as new development issues emerge over the years. I know you will agree with me that as we move forward, we continue to face more and more difficult challenges. As part of our mandate, we continued to search for measures that could assist you in effectively addressing these challenges. Our search produced what we now call as the Provincial and Local Planning and Expenditure Management Guidelines.

Now, why is the Provincial and Local Planning and Expenditure Management Guidelines different from previous guidelines? The PLPEM will address planning and budgeting issues that past guidelines have failed to focus on, and there are many of these issues.

First, we have many local planning guidelines and PLPEM is expected to rationalize all of these. In other words, expect one planning guidelines for your plans from now on.

Second, the PLPEM treats planning not merely as a technical activity but integral to the political process. You will note that in the past political priorities are sometimes not totally consistent with technical recommendations. We do not fault our political leaders for this because we believe that technical recommendations sometimes fail to capture the felt needs of your constituencies, needs that you can discern more accurately than we do. The PLPEM is expected to ensure that your plans become the main source of project ideas for your Annual Investment Program, which is the operational plan of your province.

Third, the PLPEM ensures that plans have some degree of influence on investment and budget decisions. You will note that in the past, not all of the proposed programs and projects in your plans are provided with corresponding resources. Sometimes this is one of the frustrations of planners. They have worked so hard to identify technically sound programs and projects but all of which could not be implemented due to inadequate resources.

Fourth, and perhaps this is one aspect which planning approaches have not given much focus in the past, the PLPEM will integrate revenue generation and expenditure management in the planning process. It aims to wean the LGUs from too much dependence on the internal revenue allotment and enhance your revenue generation powers to accumulate more resources that would ensure your large strategic programs and projects will be adequately financed. The PLPEM also allows LGUs to explore external sources to finance large projects. It also intends to enhance your capability to carefully manage your expenditures.

Lastly, the PLPEM aspires to strengthen the horizontal and vertical linkages of your plan. In the past, the linkages of your plan to those of

the national government, the region, and your component cities and municipalities were not clearly defined. As such, it often appears that the only development plans that count are those at the national level, while local plans, which include your plan, are seen to be mere collections of ad hoc programs and projects designed for short-term political objectives.

Now that I have presented to you the advantages of PLPEM, let me now share how we will use it. Before that, let me show you what are the contents of the PLPEM guidelines. The guidelines have 5 volumes: Volume 1 is on the Integrated Framework; Volume 2 is on the Provincial Development and Physical Framework Plan; Volume 3 is on Investment Programming and Revenue Generation; Volume 4 is on Tools and Techniques on Budgeting and Expenditure Management; and Volume 5 is on Project Evaluation and Development.

The PLPEM Guidelines shall be used as:

1. A major tool for continuing capacity building for the technical personnel of your provincial departments, as well as concerned members of the Sanggunian, particularly from the committees responsible for plan approval and appropriations.
2. A continuing and updated reference for planning and expenditure management. These guidelines are expected to simplify and increase efficiency in the preparation of your Provincial Development and Physical Framework Plan, which I understand you are now currently doing.
3. A reference to enhance horizontal linkages among planning, investment programming and revenue generation, project evaluation and development, and budgeting and expenditure management.
4. A reference to strengthen vertical linkages among the network of plans and investment programs at various levels.

While the PLPEM guidelines are meant to improve procedures, format and outputs, they are not intended to reduce planning and expenditure management to mechanical processes and operations.

These guidelines aim to aid, guide and facilitate and should not be viewed as substitutes for clear, logical analysis. Planning and other development processes must be seen as tools for strategic decisions based on sound analysis of information and evaluation of alternative choices.

In the adoption of the PLPEM, we have received support from other national government agencies which also exercise oversight functions over LGUs. These are the Department of the Interior and Local Government, Department of Budget and Management, and the Department of Finance. This support was firmed up by a Joint Memorandum Circular that our office has signed with these agencies.

This joint circular clarifies the responsibilities, identifies areas of complementation, and reconciles policies and guides of NEDA, DILG, DBM and DOF in local planning, investment programming, revenue generation and administration, budgeting, and expenditure management. It also recognizes investment programming as a major and critical activity that bridges planning and budgeting. It strengthens the interface between the LGUs and national government agencies, highlights the complementation between and among all LGU levels in the development process, and synchronizes activities related to planning, investment programming, revenue generation and budgeting.

I have mentioned the term PLPEM several times and a closer look will tell you that the first P stands for Provincial. Now you may ask why the province? I would like to stress that the adoption of the framework on the PLPEM by the provinces is very vital because you occupy a crucial position in development planning and implementation. You represent the public face of governance. With your broader responsibilities and powers under the Local Government Code of 1991, you provide a key influence in ensuring the linkage of your development objectives with regional and national priorities as your plans and programs are important inputs to regional and national plans. You also generate “multiplier effects” on your 3 component cities and 11 municipalities as you strengthen their capacities. As a medium for channeling national government resources, you fill the gaps of basic services provided by your cities and municipalities. On top of these, your province has control over the entire local planning-investment

programming-budgeting process. And finally, you are critical in facilitating inter-municipal networks and cooperation that will allow the provision of basic services at a lesser cost, such as water supply and solid waste management, among others.

As you formulate your Provincial Development and Physical Framework Plan, I would like you to take note of your role as embodied in the Updated Davao Region Development Plan for 2008-2010.

Davao Region envisions to be “the country’s most livable region” and has adopted “industry clustering” to achieve this vision. Industry clustering is our main vehicle in developing exports, generating jobs, and advancing our industries. As you know, we have identified 11 industry clusters which are geographic concentrations of our competing yet interlinked key industries. Eight (8) of these industry clusters were identified in our regional development plan we crafted in 2004. These are: banana, coconut, mango, seaweed, wood, mining, ecotourism, and ICT. The 3 other clusters, namely: biofuel, poultry and livestock, and machineries and equipment, were identified just last year. An implementation plan has been formulated for each industry cluster.

These key industries shall support Davao Region in expanding its growth and strengthening its standing in the country’s economy.

Each province and the City of Davao shall anchor one or more industry clusters based on the comparative advantages of these industries in terms of job generation, investments and exports. The City of Davao shall be the leader on ICT or e-services industry; Compostela Valley shall spearhead in wood and the wood product industry; Davao Oriental shall be for coconut industry; Davao del Sur shall continue its position as the lead producer of mango; and finally, your province shall continue to lead the banana industry.

I would like to emphasize that the banana industry, which is anchored by your province, has consistently been leading the region’s export industries, comprising about 50 percent of the region’s export earnings. With your vast land area devoted to banana production, you are a major contributor to regional economic growth and development. Indeed, Davao del Norte has a great capacity and potential to contribute

to wealth creation that we aim through our industry clustering strategy. Therefore, I strongly suggest that you give the banana industry of your province utmost importance in the formulation of your provincial development plan.

About a month ago, I received a copy of your Executive-Legislative Agenda and I was impressed by the wide range of concerns that you wish to pursue for the development of your province and people. I took special note of the Honorable Governor's platform of government called RDR WHEELS, an acronym representing his 9 priority programs:

R - Roads and infrastructure development

(which especially includes pushing for the opening of Tagum-Kapalong-Talaingod-Bukidnon Road, also a priority of the region)

D - Development of cooperatives in all sectors

(which include capacity building of coops, provision of credit facility assistance, creation of task force to undertake organizational, management and operational audit of coops)

R - Reforms in governance and peace and order

(which includes real property tax general revision, review and reorganization of the provincial government's organizational structure and staffing pattern, establishment of a synchronized management information system for all offices, a revenue generation and resource mobilization program, improvement of provincial government center and offices, formulation of a provincial manual of operation and agency risk management system, formulation of an Integrated Area Community Public Safety Plan.)

W - Water and electricity development

(which include the implementation of the Davao del Norte Integrated Water Resource Development Project, Construction and upgrading of potable water supply systems, as well as the energization of remote areas)

H - Health, sanitation and social services

(which include strengthening the Health Support Services program and Sustainable Public Health Prevention and Control program,

establishment of an inter-local health development system, improvement of hospital facilities, and programs for children, the elderly, and women)

E – Economic development and environmental protection and rehabilitation

(which includes commercial and industrial and fishery production and development, formulation of the Provincial Ecological Solid Waste Development Management Plan, as well as strengthen promotion of tourism initiatives of component LGUs)

E - Education, culture, sports and human development

(its gift to the youth through education (scholarships) and sports as it embarks on the rehabilitation of its provincial sports complex, maybe, within the month)

L - Livelihood and skills development

(enhancing capabilities to increase income generating capacities of people through animal development and vegetable production programs, fund sourcing and marketing assistance)

S - Spiritual and moral recovery

(advocacy and seminars related to moral recovery, responsible parenthood and strengthening of families, programs on anti-graft and corruption and peace and multi-culturalism)

I would like to inform the Honorable Governor that we are one with you in pushing for the success of your programs, and I know your administration will succeed. We have offered the PLPEM to Davao del Norte and we shall be very pleased if the Honorable Governor will use it as reference in moving forward his RDR WHEELS.

In closing, I wish the Honorable Governor and other officials and staff of the Davao del Norte Provincial Government great success as you pursue your vision. We at NEDA will always be here when you need our assistance. We consider it not only our mandate to assist the LGUs but, more importantly, our personal commitment to help make things happen not only in Davao del Norte but in the entire Davao Region as well.

Thank you and Mabuhay ang Davao del Norte at Davao Region.