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Evidence-Based Planning and Budgeting Using CBMS Data: Some Initial Thoughts, Activities and Observations

Aniceto Orbeta Jr.

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Aniceto Orbeta Jr.: Philippine Institute for Development Studies-Philippines

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Philippine Institute for Development Studies
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A. Introduction

A couple of recent evaluations of local planning and budgeting processes in the country have identified the lack of appropriate data as the primary reason for weak planning and budgeting practice in the country. Serrano (2003), for instance, summarizes a review of several LGU plans and budgets. The conclusions for planning are summarized as follows: (a) identification of development goals relied on an insufficient data base; (b) the plans do not include a situationer showing historical trends which might have indicated other less obvious but pressing concerns; (c) the plans though comprehensive are obviously a listing of all concerns with not much thought given their validity as no substantial data were provided to back these up; (d) there are no annual targets set; (e) the plans are gender blind; (f) the plans do not have monitoring and evaluation method that would facilitate implementation and attainment of targets; and (g) global development partnerships are hardly visible. All but the last conclusion point to lack of data support to local development planning. Interestingly, a more recent review of provincial planning by Carino, Corpuz and Manasan (2004) pointed out that the “lack of economic and related data at the provincial and sub-provincial levels are major obstacles to effective local planning.” They have recommended the strengthening of databases for planning.

This study will explore ways of utilizing CBMS data more in local planning and budgeting. CBMS data is turning out to be the primary source of local planning and budgeting data for LGU-cooperators (Reyes et al, (nd))¹. Alternative sources of data either are generated too far in between or have sample sizes that do not allow disaggregation at the LGU level of interest. Census data may be disaggregated at the LGU level but are too far in between (usually 10 years or 5 years if budget allows) to be useful for local planning and budgeting which is as frequent as annual or a three-year cycle corresponding to the local election cycle. National surveys, on the other hand, maybe much more frequent but they have sample sizes that are currently only representative at the regional levels. Facilitating the use of CBMS data in local planning and budgeting will mean additional uses for CBMS data that will improve returns on LGU investments² on the CBMS data generation. It will also make local planning and budgeting much more transparent and participatory since its basis is a data set validated

¹ For LGU-cooperators, CBMS data had been used in the preparation of community socioeconomic profiles but seldom beyond this point. The presentation in the previous session is one such exception (Lodronio, 2006).

² The CBMS process requires the LGUs to shoulder all costs except for the costs directly related to the technical assistance provided by the CBMS team.

by the community and presumably known to the community³. Finally and more importantly, it will make the local planning and budgeting process much more empirically based.

This paper presents initial thoughts and activities that had been done to pursue the objectives of this study. The next section presents the proposed study activities. This is followed by a description of initial activities, observations and results. The final section lists the next steps.

B. Study Activities

The activities in this study is divided into three groups: (a) review of local planning and budgeting concepts; (b) using CBMS data for local planning and budgeting; and (c) training on local development planning and budgeting with focus on using CBMS data.

Review of Local Planning and Budgeting Concepts. Under this activity concepts in planning and budgeting will be reviewed and fine-tuned to address local planning and budgeting needs. The aim is to let accepted planning and budgeting concepts and practices worldwide inform local planning and budgeting. Thus, in this activity, a review of the literature on planning and budgeting will be done. A review existing national and local planning and budgeting practice and guidelines will likewise be done. In particular, review existing local planning and budgeting guidelines⁴ such as the National Economic Development Authority (NEDA) Manual, Local Government Academy (LGA) Manual, Population and Development (POPDEV) Planning Manual, Executive Agenda Manual. Planning and budgeting organizational structures will be reviewed as well. In addition, how local planning and budgeting can be enabled to localize global concerns such as Gender-Responsive Budgeting and Planning (Budlender, Reyes, Melesse, 2005) and the Millennium Development Goals will also be looked into.

Using CBMS Data for Local Planning and Budgeting. Building on concepts discussed in the preceding activity, specific uses and examples of using CBMS data in local planning and budgeting processes will be identified in this phase. On the one hand, it will identify and provide examples of specific planning and budgeting processes where CBMS data can be used. This would include, for instance, specific activities in community profiling⁵, needs assessment, programming and budgeting, monitoring and impact assessment. On the other hand, it will also identify areas where CBMS can be improved to better serve local planning and budgeting needs. In addition, it will identify others sources and uses of data, such as those from administrative reports, than can supplement CBMS data to make planning and budgeting processes more evidence-based.

³ As noted in Reyes et al. (nd), the CBMS process involves a community validation process where CBMS results are presented to the community for the verification of the accuracy of the findings. It has been noted that these sessions often also turn into a participatory problem and solution identification sessions.

⁴ Carino, Corpuz and Manasan (2004) provides a recent comprehensive assessment of planning guidelines.

⁵ Preparation of a socioeconomic profile is currently included as a module in the CBMS process.

The outputs of this activity will include draft-training modules on planning and budgeting. The planning and budgeting modules shall explicitly address such specialized issues as Gender Responsive Budgeting. In addition to identified planning and budgeting processes, the modules shall consider the following: (a) planning and budgeting reporting requirements currently required from LGUs, and (b) established calendar for local planning and budgeting. In addition, a listing of existing data generation systems that have become redundant because of the CBMS will be provided.

Intensive consultations with local planners will be done as the training modules are developed. These consultations will be utilized to refine hypotheses made and procedures proposed in the training modules.

Training on Local Development Planning and Budgeting. Drawing from the preceding activities, the piloting of the training modules developed will be done in at least two LGUs. Based on this pilot training experience, the training modules will be reviewed and fine-tuned accordingly. The training will be primarily hands-on exercises for local planners utilizing CBMS data generated on the different planning and budgeting processes. It is expected that the training will likewise be a venue for eliciting reactions and further validating hypothesis made in the preparation of the training modules.

The outputs of this activity are trained local planners, corresponding draft of Local Development Plans and Budgets, and improved training modules on local development planning and budgeting.

C. Initial Activities, Observations and Results

1. Review of Planning and Budgeting

1.1 Initial review of planning and budgeting literature

The review of planning and budgeting literature has been initiated. Review of the Local Government Code of 1991 that provided the legal mandate for local planning and budgeting has been done. Review of planning and budgeting guidelines that have been developed for used by LGUs have also been initiated.

The review revealed that several plans and budgets are prepared at different administrative levels. Table 1 provides a summary of the major plans and budgets prepared by the different instrumentalities of government. The list does not include other sector-specific plans.⁶ Plans are broadly classified into physical and development plans. The “capital” investment components of these plans are included into investment programs. Finally, all of the programs, projects, activities and investments that are to be financed in the current year are translated into a what is known as the “development” budget.

⁶ For instance Poverty Reduction Plan, Development Plan for Children, Gender and Development Plan, Tourism Master Plan, Food Security Plan, Strategic Agriculture and Fisheries Development Zone Plan.

Short descriptions of the different plans are follows:

Physical Framework Plans provide a framework for solving the spatial dimension of economic and environment policies and activities. It usually consists of three components, namely: (a) settlement plan; (d) land use plan; and (c) infrastructure plan. The time frame is usually long-term of at least 10 years.

Development Plans are medium-term (5-10 years) plans containing programs on economic, social, environmental, institutional development. It identifies goals and objectives for the plan period as well as strategies, programs, projects and activities needed to achieve stated goals and objectives.

Table 1. Family Plans and Budgets

Level	Plans		Investment Programs	Budget
	Physical Plans	Development Plans		
National	National Physical Framework Plan (NFPF)	Medium-Term Philippine Development Plan (MTPDP)	Medium-Term Development Investment Program (MTDIP)	Annual Budget (General Appropriations Act (GAA))
Regional	Regional Physical Framework Plan (RFPF)	Regional Development Plan	Regional Development Investment Program	
Provincial	Provincial Physical Framework Plan (PPFP)	Provincial Comprehensive Development Plan (PDP)	Provincial Development Investment Program (PDIP)	Annual Budget (Budget Ordinance)
City / Municipality	City / Municipality Land Use Plan	City / Municipality Development Plan (C/MDP)	Local Development Investment Program (LDIP) Annual Investment Program (AIP)	Annual Budget (Budget Ordinance)
Barangay		Barangay Development Plan	Annual Investment Program (AIP)	Annual Budget (Budget Ordinance)

Local Development Investment Programs are medium-term (3-5 years) plan contains the list, timing and financing of “capital” programs and projects derived from the detailed elaboration of the land use and development plans.

Annual Investment Plans are current year “slice” of the local investment programs listing programs and projects that scheduled to be funded from the Local Development Fund in the plan year.

Land Use Plans are a component of physical plans indicating existing and future uses of land resources delineating settlement (built-up), production (non-built up), protected and other specific-use areas. These are often separately prepared because approved land use plans are the basis for zoning ordinances which are in turn the basis of real estate tax ordinances.

The review also found that numerous planning and budgeting guidelines have been developed for use by LGUs. In addition, there is recent proliferation of demands for preparing separate sectoral planning, e.g. poverty plan, plan for children, GAD plan, tourism plan.

1.2 Consultations and interviews on planning and budgeting: some observations

Consultations and interviews with local planning and budget officers in two cooperating LGUs have been conducted. These consultations are designed to document actual planning and budgeting practice. During these consultations, the local planners are made to describe the planning and budgeting processes in detail. They were also asked whether they follow specific guidelines. Existing data sources and data gathering methods have also been discussed. Finally, planning and budgeting problems and needs were also discussed.

Some observations from the consultations and interviews:

- Development planning usually only covers the allocation of the Local Development Fund which is just 20% of the Internal Revenue Allotment (IRA) coming from the national government. The other 80% are allocated based on previous allocations. For many LGUs, the IRA is the only source of revenues. Local tax revenues usually contribute a negligible proportion.
- The primary method of identifying development issues is direct consultation. Some have used the established administrative hierarchy of relying on local level leaders for identifying development issues. However, according to the interviewees, this has often resulted in inappropriate projects. Thus, higher local executives have often resorted to direct consultations.
- While the cooperating municipality and city have updated plans, the barangay development plans of the barangays interviewed are dated and long due for updating; one is even using the plan /socioeconomic profile prepared by the previous administration.
- On data generation activities, initial interviews confirmed earlier reviews that there is no comprehensive and regular source of planning data for LGUs. The cooperating

city had commissioned a nearby research institution to conduct household census twice but in both occasions questions about the results are numerous. In the administrative data front, only the health sector has periodic source of planning data employing a nationally designed forms. All other sectors have no regular data generation systems.

- On gender and development planning and budgeting, interviews revealed that: (a) in most instances, there is a GAD budget as mandated by law but there is no GAD plan; and (b) it is very revealing that it is not very clear to those who propose programs, projects and activities (planners and barangay officials) as well as those who review (budget officers) budgets what should be included in the GAD budget.

2. Using CBMS in Local Planning and Budgeting

2.1 CBMS Process and Data: A Brief Description⁷

The CBMS process has the following features:

- LGU-based and promotes community participation
- Taps existing LGU personnel and community volunteers
- It has a core set of 14 basic needs indicators.

The CBMS Process include the following steps

- Cooperation agreement drawn specifying the rationale, activities and schedule, and outputs, responsibilities of parties
- Mobilizing resources including: human, financial, institutional
- Evaluation of data requirements and existing monitoring systems
- Customizing survey instruments
- Data collection
- Data processing
- Validation of Survey Results
- Database management
- Dissemination of findings and recommendations

Two sets of information are provided by CBMS: barangay-level and household-level information. Barangay-level information are generated from barangay officials, primarily, the barangay captain and/or the barangay secretary. Complete enumeration is currently done for household level information. The summary of the information gathered for these two sets of information are as follows:

(a) Barangay Profile

- Physical and Demographic Characteristics
- Basic Services and Service Institutions
- Programs and Services
- Peace and Order

⁷ Draws heavily from Reyes et. al (2004)

- Spot Map
- (b) Household Information
 - Household Roster (age, sex, education, economic)
 - Water and Sanitation
 - Housing Characteristics
 - Household Assets
 - Income (Amount and Sources)
 - Food Adequacy
 - Crime

2.2 How CBMS Can Help Improve Barangay Planning and Budgeting: Initial Thoughts

2.2.1 Planning

- a. Situation Analysis; Problem / Development Issues Identification
 - Provide comprehensive data on economic, demographic, social situation including structure of household income sources, disaggregation by socioeconomic status,
 - Provide data for benchmarking enabling comparison across areas, planning standards
- b. Vision, Goals, Objectives, Strategic Directions
 - Provide data for performance indicators
 - Provide data for targets and target setting
- c. Strategies / Interventions
 - Provide data for configuring of programs, projects and activities including beneficiary characteristics (number, demographic composition, spatial location)
- d. Authorization / Legitimization
 - Provide data for plan review by review bodies
- e. Implementation
 - Provide detailed data for prioritization and budgeting
- f. Monitoring and Evaluation
 - Provide baseline data for monitoring and evaluation

2.2.2 Budgeting

- a. Budget Preparation
 - Provide better data for determining sectoral / departmental expenditure ceilings

- Provide independent validation of income estimates, particularly for local taxes
- b. Budget Authorization
 - Provide local legislative body with better data for assessing budget proposal
- c. Budget Review
 - Provide review bodies with better data
- d. Budget Execution
- e. Budget Accountability
 - Better data for performance review and

2.2.3 Localizing Global Initiatives (GRB, MDG, HDI)

i) Millennium Development Goals
(refer to – Lodonio (2006))

ii) Human Development Index

CBMS provide the following at for computing HDI

- School attendance
- Income
- Life expectancy data is not available but can be substituted by other health indicators such as nutrition

iii) Gender Responsive Planning and Budgeting

Using CBMS data to enable local level Gender Responsive Planning and Budgeting (GRBP) has been pointed out (Budlender, Reyes, Melesse 2005). In fact, an experiment has been conducted earlier by the CBMS team to implement this idea (Reyes et. al, 2005b). A much wider application involving two local government units is underway. This section describes the underlying considerations and the efforts done so far by the CBMS Team towards this end.

1. Modifications proposed to allow GRPB using CBMS data⁸

- In situation analyses, sex-dis-aggregation should be the norm
- In validation and dissemination, (a) expand women participation in validation exercises, perhaps, FGD if needed to allow vulnerable groups to speak more freely; (b) avoid assuming equality of literacy between the sexes
- In analysis of CBMS data, recognize the problems of using household head in disaggregating household-level services (e.g. water, sanitation, electricity)
- Barangay profile questionnaire should include
 - Location and availability of women-related services (maternal and child clinics, barangay health centers, family planning centers, day care centers)

⁸ Draws heavily from Budlender, Reyes and Melesse (2005).

- Location and availability of markets both for (a) petty production purposes, and (b) as source of daily provisions
- Electricity and water services in situations where women and children bear the main responsibility of fuel and water collection
- Reported cases of rape and domestic violence
- Number and proportion of deaths resulting from complications of pregnancy or childbirth
- Gender dis-aggregation of government staff by position
- Household questionnaire to include
 - Dis-aggregation of information on income sources
 - Access to community services
 - Access to household resources, particularly, food
 - Accounting for unpaid work
 - Administer to male and female adult for each household and discuss the differences in responses
- Concentrate on issues where LGUs are responsible for
- Testing against gender policies and instrument
 - Gender and Development plan
 - Beijing Platform of Action and/or Convention on the Elimination of All Forms of Discrimination Against Women
- Caution against overburdening the system that could undermine the CBMS process of being locally managed, simple, and periodic assessment of poverty and well-being

2. Proposed Modification of the CBMS Instruments

- Modifications introduced to the Household Questionnaire
 - Gender dis-aggregation as much as possible in the core household questionnaire.
- A rider survey asking questions on more specialized issues such as: (a) livelihood skills; (b) primary care giver; (c) school drop out incidence; (d) responsibility of household chores; (e) ownership of household properties and assets. All of this additional information is to be linked to the household roster.
- Modifications introduced to the Barangay Profile Questionnaire
 - Barangay personnel is now sex-disaggregated
 - Women crisis center added to the list of facilities asked
 - Questions on GAD planning added

D. Next Steps

The modified instruments incorporating the proposals mentioned in the previous section have been pre-tested and preparations are on-going for the survey operations with two local government units cooperating. One has approximately 11,000 households and the other has 19,000 households.

The existing planning training modules will be enhanced using results for this study and will be pilot-tested in these two cooperating LGUs. The generated CBMS data sets will be used in pilot-testing of the training modules.

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