



# Comparative Study of Capacity Development of Local Government Units as Baseline Towards Full Devolution

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**Abstract** - In response to Mandanas Ruling, Executive Order 138 or the Full Devolution mandates all Local Government Units to fully assume the functions, services, and facilities under Republic Act (RA) 7160, section 17, by the end of 2024. This study was conducted to assess the Capacity Development Agenda of Lower-Class Municipalities in the island province of Masbate. Three main sectors in the Philippine Government were studied concerning its current state of capacity, the desired state of capacity, capacity development interventions, and alignment of these interventions to the criteria of the Philippine devolution. These are the Agriculture and Extension Services, Environment and Natural Resources, and Social Welfare Services. The result will be used as basis of the National Government Agencies in identifying priority capacity development agenda for Local Government Units (LGUs). The researchers used the qualitative-descriptive method by reviewing the Devolution Transition Plans (DTP) of the LGUs and made a comparative assessment. The result showed that the lower-class municipalities have a very low capacity to assume devolved services mandated in Section 17 of RA 7160 and other devolution laws. In the sector of Agriculture and Extension Services, services like water systems, communal irrigation, artificial insemination, and medicinal plant establishments are among the services that are not present and not functional in the LGUs. In terms of Environment and Natural Resources, lower-class LGUs are weak in the implementation of integrated forestry programs as well as in air and water quality management. Similarly, the Social Welfare Services were poorly implemented especially in the programs related to rehabilitation for vagrants, beggars, street children, juvenile delinquents, and family welfare. These capacity gaps were then proposed with specific and strategic capacity development agenda, and these were categorized into six (6) capacity pillars. The capacity development agenda that is aligned with the devolution criteria is the useful baseline in crafting the National Agencies Capacity Development Program.

**Keywords:** Philippine Full Devolution, Capacity Development Agenda, Mandanas Ruling, Executive Order 138, Agriculture and Devolution, Environment and Natural Resources, Social Welfare Services

## I. INTRODUCTION

The Supreme Court ruling on the Mandanas-Garcia Petition concerning the Internal Revenue Allotment (IRA) has been a persistent effort of Local Government Units (LGUs) and stakeholders to demand greater autonomy and resources from the national government. The ruling is a result of two separate petitions filed by Batangas Governor Hermilando Mandanas and former Bataan Governor Enrique Garcia Jr. before the Supreme Court requesting the basis of computation of the Internal Revenue Allotment (IRA) of LGUs be adjusted to include national taxes (PIA.gov.ph). Mandana ruling directly increases resources for LGUs because of a larger base for the computation of the IRA (now known as the National Tax Allotment or NTA). Local governments expect to receive an incremental IRA, equivalent to 40% of tax collections that were previously not part of the

base. In 2022, in the first year of implementation of the SC ruling, the IRA is seen to substantially increase by P263.5 billion or 37.9% to a total of P959.0 billion. Of the amount, about P193.7 billion can be attributed to the collections from the Bureau of Customs (BOC).

Executive Order No. 138, series of 2021, providing for guidelines on full devolution of certain functions, recognizes this reality and gives government agencies until FY 2024 to complete the transition. Hence, a gradual devolution of functions between 2022 and 2024 can be expected even as the National Government is obliged to provide LGUs their due share in national taxes beginning FY 2022. This can mean additional National Government budgetary requirements to support National Government PAPs during the transition (Manalo, et al. 2021).

An increase in LGU allocations would mean diminishing funding for the National Government Agencies (NGAs), hence, NGAs asserted that they would no longer keep exerting the same level of effort. If LGUs were to receive top-ups to their automatic appropriations, then they should also begin performing the functions and services outlined for them in the Local Government Code. To aid LGUs in the effective discharge of devolved duties and functions, the role of NGAs will now focus on strategic and steering functions.

The capacity gap is one of the major problems in the decentralization process. To ensure the smooth implementation of EO 138, all NGAs performing devolved functions and services of LGUs were required to develop and implement their respective Devolution Transition Plans that define their Capacity Development Agenda. LGUs on the other hand, have identified their capacity development needs that would prepare them for full devolution by the end of 2024. The differing level of financial capacity of LGUs is recognized. For instance, the increase in National Tax Allotment share for some LGUs may be sufficient to carry out their devolved functions, while this may not be the case for some, especially for LGUs belonging to lower-class municipalities. Hence, the LGUs need to review their financial resources, as well as their expenditure requirements and absorptive capacities, to meet the urgent needs of their constituencies and local economies as well as to develop a transition strategy to be able to identify the capacity development gaps and on how to gradually address them.

The review of DTPs of eleven lower-class municipalities revealed the current state, desired state, and capacity development agenda and priorities in terms of the devolved functions and services in agriculture and extension, environment and natural resources, and social welfare services. These sectors have the largest chunk of budget allocation to be transferred to LGUs because of full devolution or Mandanas Ruling. These functions and services also comprise the most basic services that have been devolved since 1991 to the LGUs and are to be fully devolved by 2024. Based on the LGU capacity assessment and capacity development formulation toolkit, from the Local Government Academy of DILG, the capacity development agenda has six pillars: (1) Structures (2) Competencies (3) Enabling Policies (4) Management System (5) Knowledge and Information and (6) Leadership. To holistically analyze the overall capacity development gaps and agenda of 11 LGUs, these six pillars have been determined in this study.

## **II. METHODOLOGY**

### **Research Method**

This study used both quantitative and qualitative approach. Using the current state and desired state of capacity in their Devolution Transition Plans, the capacity development agenda was reviewed vis-a-vis its alignment with the DILG guidelines and criteria of full devolution. Functions, services, and facilities (FSFs) devolved to LGU through RA 7160 and other devolution laws were tabulated to reveal if these are implemented or not. Yes, No and No data options were defined for the FSF's availability and functionality, non-functionality, and non-existence, respectively. Results from each municipality were tabulated to get the average per FSFs. The conclusions as to the functionality per FSFs were derived from the average result. The lower the average, the lower the capacity of LGU to assume devolved functions. Analysis of comparison were also done per municipality to reveal what lower class municipality has the highest capacity to assume functions, vis a vis, the municipality with lowest capacity.

Another output of this study is the identification of the capacity development agenda or interventions to be prioritized by each municipality. The study used the LGU capacity assessment and cap development formulation toolkit, from the Local Government Academy, using the six pillars of capacity: (1) Structures (2) Competencies (3) Enabling Policies (4) Management System (5) Knowledge and Information and (6) Leadership. The analyze focus on the overall capacity development gaps and agenda of 11 LGUs along with these 6 pillars.

### **Research Population**

This study covered the lower-class municipalities of Masbate Province. The lower-class municipalities are those municipalities that belong to the 4th, 5th, and 6th classes. However, in the case of Masbate province, there are only the 4th and 5th classes. There are 11 municipalities belonging to 4th and 5th class. These are: Baleno, Balud, Batuan, Dimasalang, Esperanza, Mobo, Monreal, Palanas, Pio V Corpuz, San Fernando and San Jacinto. The selection was based on the municipality category of the Cities and Municipalities Competitive Index for 2022.

## **III. RESULTS AND DISCUSSION**

### **Current State of Capacity in Agriculture and Extension Services**

The current state capacity refers to the current situation of each capacity pillar, describing what is working/not working in each pillar. This was categorized concerning Section 17 of RA 7160 and other special laws related to the three (3) sectors. The current state of the capacity of LGUs in Agriculture and Extension Services is still weak as manifested by the functions, services, and facilities (FSFs) that are still lacking and not functioning. Out of the 26 FSFs mandated under Section 17 of RA 7160 and other laws, an average of 7 FSFs or 25% are being implemented by LGUs (Table 1). This is a clear manifestation that LGUs have been augmenting those services for a long time however the three decades of persistence failed the agriculture sectors to be of reach by the locals. Services related to extension and research, artificial insemination, medicinal plant establishment, agriculture, and biosystems unit, communal irrigation, and multi-purpose cooperatives are among the FSFs with the lowest scores. The No data FSF explicitly affects the result of overall interpretation because it would mean neither existing nor not available. Further study is recommended as to why some LGUs have no data on those FSFs. Another result in the conduct of applied research and agriculture extension notably predominates the non-functionality of LGUs in their implementation. The number of LGUs that affirmed that they implement these services is far from the LGUs with No and No data responses. The devolution of agricultural extension services to the LGUs has also been identified as one of the causes of low agricultural productivity hindering the attainment of agricultural development and food security (Magno, 2001), while low farm productivity is affected by factors such as low farm mechanization, inadequate post-harvest and processing facilities and lack of irrigation facilities (RDC Bicol 2017-2022), hence, contributing to the poverty incidence of 31.6% (Farmers) and 26.2% (fisher folks) among the basic sectors in 2018 (Philippine Statistics Agency).

Another result indicates poor implementation of LGUs in the establishment of biosystems engineering. The lack of Agriculture and Biosystems Engineering Unit is a big menace that will cause failure in the modernization and mechanization goals in agriculture.

In addition, the mere fact that LGUs do not even consider these as devolved functions (No data) is another indication that these are not among their priority services. The establishment of an Agricultural and Biosystems Engineering unit in the municipality will help the LGUs in the preparation of engineering designs, plans, specifications, project studies, feasibility studies, and estimates of irrigation and drainage, soil and water conservation, and management systems and facilities, agrometeorological systems, agricultural and biosystems power, and machinery, agricultural and Biosystems buildings and structures, renewable/bio-energy systems

and farm electrification, agricultural and bio-processing and post-harvest facilities and system, agricultural and biological waste utilization and management, agricultural and bio-information system, agricultural and Biosystems resource conservation and management, and agricultural and bio-automation and instrumentation system (Sec 5, RA 10915), thus, increase the opportunities for locals to improve their agriculture productivity.

Table 1. Current State of Capacity in terms of Agriculture and Extension Services

| <b><i>Functions, Services and Facilities (FSF) under Agriculture and Extension Services</i></b>                                                   | <b><i>Yes</i></b> | <b><i>No</i></b> | <b><i>No Data</i></b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-----------------------|
| Dispersal of Livestock and poultry                                                                                                                | 4                 | 4                | 3                     |
| Prevention and control of plant diseases                                                                                                          | 4                 | 0                | 7                     |
| Provision and distribution of palay, corn, and vegetable seed farms                                                                               | 6                 | 4                | 1                     |
| Prevention and control of plant pest                                                                                                              | 3                 | 2                | 6                     |
| Fertilizer Distribution                                                                                                                           | 4                 | 3                | 4                     |
| Establishment of medicinal plant gardens                                                                                                          | 0                 | 6                | 5                     |
| Establishment of fruit trees, coconut, and other kinds of seedling nurseries/seed farms                                                           | 3                 | 4                | 4                     |
| Establishment of Demo Farm                                                                                                                        | 3                 | 3                | 5                     |
| Establishment of Artificial Insemination Center                                                                                                   | 0                 | 4                | 7                     |
| Quality control of Copra                                                                                                                          | 4                 | 6                | 1                     |
| Establishment of an Inter-barangay irrigation system                                                                                              | 2                 | 8                | 1                     |
| Water and Soil resource utilization and conservation projects                                                                                     | 5                 | 5                | 1                     |
| Enforcement of fishery laws in Municipal waters including the conservation of mangroves (to include policies, organization of Bantay Dagat, etc.) | 8                 | 1                | 2                     |
| Animal Breeding Center                                                                                                                            | 4                 | 0                | 7                     |
| Community fish landing center/Fish port                                                                                                           | 4                 | 2                | 5                     |
| Provision and dispersal of fingerlings                                                                                                            | 3                 | 7                | 1                     |
| Strengthening farmer's credit multi-purpose cooperatives                                                                                          | 1                 | 0                | 10                    |
| Improvement and Development of Local distribution channels, preferably through cooperatives                                                       | 2                 | 5                | 4                     |
| Conduct of applied research, extension, dispersal, management, and regulation of agricultural and fisheries machinery and equipment               | 4                 | 6                | 1                     |
| Agricultural Extension                                                                                                                            | 3                 | 0                | 8                     |
| Rainwater collectors and water supply system                                                                                                      | 4                 | 2                | 5                     |
| Farm Mechanization                                                                                                                                | 3                 | 3                | 5                     |
| Communal Irrigation                                                                                                                               | 1                 | 4                | 6                     |
| Small Water Impounding Project (SWIP)                                                                                                             | 2                 | 5                | 4                     |
| Establishment of Agricultural and Biosystems Engineering Unit                                                                                     | 1                 | 2                | 8                     |
| Agricultural Engineers                                                                                                                            | 1                 | 2                | 8                     |

Source: Devolution Transition Plans of lower-Class Municipalities in Masbate

## Current State of Capacity in Terms of Environment and Natural Resources

The current state of the capacity of lower-class LGUs in terms of Environment and Natural resources can be linked to the authority of both LGUs and NGA as provided in the Local Government Code of 1991. For instance, the Code gives municipalities the responsibility over community-based forestry and watershed projects but allows the Department of Environment and Natural Resources (DENR) to retain supervision and control over such projects. Similarly, LGUs are tasked with the primary responsibility for the construction and maintenance of local roads but the Department of Public Works and Highways (DPWH) may continue to undertake similar activities if the funding comes from national funds. The problems related to the ambiguities in the devolution of functions in DENR management created this gap in the implementation of Environmental and Natural Resources. Environment and Natural Resources' current state of capacity shows a huge gap in terms of forestry programs, tree parks and green belt establishment, eco-tourism, community watersheds, air and water quality, and marine protected areas. In addition to this, LGUs with scores of Yes, No, and No Data out of 16 FSF under this sector are implementing an average of 4.55 FSFs for Yes, 5.55 FSFs for No or not functional, and 5.91 FSFs with No data (Table 2). Still, FSF with No Data has the highest score. This implies that only 4 among the 16 FSFs are functional in the 11 municipalities. The devolved FSFs as mandated in the RA 7160 are not functional in many LGUs. They have no functional services in integrated social forestry, forest development projects, and potential eco-tourism. Even in the management of community watersheds and communal forests, they are weak. There are LGUs also that did not assume a big number of services devolved to them as referred to No data.

Despite the strong policy in Solid Waste Management, there is still an enormous gap in the implementation of RA 8749 (Clean Air Act) and 9275 (Clean Water Act) wherein only 1-2 LGUs have clear programs. Where these functions are lodged to LGU as an additional responsibility, they were not given enough authority because these functions are redundantly included in the programs of DENR. Aside from the technical know-how that the LGUs must possess to implement these (air and water management), they also lack funds as fund allocation is very limited, especially in lower-income municipalities. This similarly implied two things about the integrated protected areas: first, weak carrying out of devolved functions in integrated management of protected areas, and second, LGUs did not consider conservation of mangroves and marine protected areas as part of their functions that should be fully assumed.

Table 2. Current State of Capacity Development in terms of Environment and Natural Resources Services

| <b><i>Functions, Services and Facilities (FSF)</i></b>                                            | <b><i>Yes</i></b> | <b><i>No</i></b> | <b><i>No Data</i></b> |
|---------------------------------------------------------------------------------------------------|-------------------|------------------|-----------------------|
| Integrated social forestry programs and similar projects                                          | 1                 | 9                | 1                     |
| Management and control of communal forest with an area not exceeding fifty (50) square kilometers | 3                 | 7                | 1                     |
| Establishment of tree parks, green belts, and similar forest development projects                 | 1                 | 9                | 1                     |
| Establishment of potential eco-tourism sites/s and services as a source of livelihood             | 1                 | 4                | 6                     |
| Management of identified community watershed                                                      | 2                 | 0                | 9                     |
| Management and maintenance of air quality standards                                               | 2                 | 6                | 3                     |
| Management and improvement of water quality                                                       | 2                 | 5                | 4                     |
| Prepare water quality management area action plan and compliance scheme                           | 1                 | 5                | 5                     |
| Compliance to the framework of the Water Quality Management Action Plan                           | 1                 | 5                | 5                     |
| Active participation in all efforts concerning water quality protection and rehabilitation        | 2                 | 4                | 5                     |

|                                                                                                    |   |   |   |
|----------------------------------------------------------------------------------------------------|---|---|---|
| Implement /enforce Solid Waste Management                                                          | 8 | 0 | 3 |
| Solid Waste Disposal System (Access to Sanitary Landfill or environment Management System Program) | 1 | 1 | 9 |
| Creation of SWM Boards                                                                             | 8 | 0 | 3 |
| Preparation of SWM Plans                                                                           | 7 | 0 | 4 |
| Conservation of Mangroves                                                                          | 3 | 0 | 8 |
| Marine Protected Area                                                                              | 2 | 0 | 9 |

Source: Devolution Transition Plans of lower-Class Municipalities in Masbate

The high number of No data also implies that there are services under this sector that are not part of the current programs of these LGUs. Assessment of LGUs as to the challenges they are facing in the implementation of devolved functions in Environment and Natural resources can supplement the gap and clarify the status of those services with no data.

### Current State of Capacity of LGUs in terms of Social Services

Under RA 7160, the LGUs were held responsible for delivering programs and services to the fullest of their capacity. At the start of the implementation of devolution, there were doubts over the ability of local government units to absorb the devolved functions and fears for the further deterioration of the social welfare delivery system (Borlagdan et al., 1993). The result of this study revealed that RA 7160 devolved functions are poorly implemented especially in the programs related to rehabilitation for vagrants, beggars, street children, and juvenile delinquents as well as in parenthood and family welfare. Although it is good to note that the decades of capacity building, funding support, and autonomy provided the LGUs with the power to improve aspects of children and youth programs, other services are still below far and deteriorating.

Table 3. Current State of Capacity Development in terms of Social Welfare

| <i>Functions, Services and Facilities (FSF)</i>                                             | <i>Yes</i> | <i>No</i> | <i>No Data</i> |
|---------------------------------------------------------------------------------------------|------------|-----------|----------------|
| Child and Youth Programs                                                                    | 7          | 1         | 3              |
| Family and Community Programs                                                               | 4          | 2         | 5              |
| Welfare programs for women, the elderly, and persons with disabilities                      | 4          | 1         | 6              |
| Community-based rehabilitation for vagrants, beggars, street children, juvenile delinquents | 1          | 5         | 5              |
| Parents' Effectiveness Services or Responsible Parenthood                                   | 1          | 4         | 6              |
| Pre-marriage counselling                                                                    | 3          | 1         | 7              |
| Family case working/counseling                                                              | 2          | 1         | 8              |
| Children and Youth Development Session                                                      | 2          | 1         | 8              |
| Establishment of an information and planning center                                         | 0          | 1         | 10             |
| Social service for solo parents                                                             | 4          | 1         | 6              |
| National Family Violence Program                                                            | 1          | 3         | 7              |
| Community programs                                                                          | 2          | 2         | 7              |
| ECCD Services                                                                               | 3          | 0         | 8              |
| Establishment of Municipal Child Development Center/Day Care Center                         | 2          | 1         | 7              |

|                                                                                                                                    |   |   |    |
|------------------------------------------------------------------------------------------------------------------------------------|---|---|----|
| Provision of subsidy allowance to CDWs                                                                                             | 3 | 0 | 8  |
| Capacitate the Child Development Workers through meetings and training                                                             | 3 | 0 | 8  |
| Purchase of ECCD Supplies, equipment, and workbooks                                                                                | 2 | 0 | 9  |
| Allocate a substantial amount from the LGU annual budget                                                                           | 7 | 1 | 3  |
| Preventive/ educational programs                                                                                                   | 7 | 1 | 3  |
| Rehabilitation/ treatments of dependents                                                                                           | 7 | 2 | 2  |
| Support services for child abuse                                                                                                   | 1 | 1 | 9  |
| Establishment of VAWC Centers and enactment for full implementation                                                                | 2 | 2 | 7  |
| Women federation (KALUPI)                                                                                                          | 2 | 1 | 8  |
| Celebration of Women's Month, 18-day campaign against VAWC and others                                                              | 2 | 0 | 9  |
| Case Management and Assistance to Women Victims of VAW                                                                             | 3 | 0 | 8  |
| National Family Violence Prevention Program (NFVPP)                                                                                | 1 | 1 | 9  |
| Establishment of Barangay VAW Desk                                                                                                 | 1 | 0 | 10 |
| Establishment and strengthening of Local Councils for the protection of children                                                   | 8 | 0 | 3  |
| Allocation of one percent (1%) of the internal revenue allotment for the programs of LCPC                                          | 7 | 0 | 4  |
| Appointment of Municipal Social Welfare and Development Officer to assist                                                          | 7 | 1 | 3  |
| Intervention, diversion, and rehabilitation program                                                                                | 2 | 0 | 9  |
| Provision of counseling sessions and psychological/psychosocial therapy                                                            | 1 | 0 | 10 |
| 3-Year Comprehensive Local Juvenile Intervention Plan                                                                              | 3 | 1 | 7  |
| Establishment of PWD Affairs Office (PDAO)                                                                                         | 1 | 4 | 6  |
| Provision of assistive devices and other support                                                                                   | 3 | 3 | 5  |
| Proposed allocation of at least 5% for assistive devices and financial assistance in the LD                                        | 4 | 1 | 6  |
| Capacitate the Focal Persons for persons with disabilities                                                                         | 3 | 2 | 6  |
| Provision of programs and services for persons with disabilities                                                                   | 5 | 0 | 6  |
| PWD friendly facilities                                                                                                            | 1 | 2 | 8  |
| Livelihood and other pro-poor projects                                                                                             | 0 | 7 | 4  |
| Sustainable Livelihood Program                                                                                                     | 1 | 4 | 6  |
| Social preparation stage                                                                                                           | 0 | 1 | 10 |
| Case management of beneficiaries                                                                                                   | 1 | 1 | 9  |
| Creation of the Office of the Senior Citizen Affairs (OSCA)                                                                        | 1 | 3 | 7  |
| Provision of Social Pension for indigent senior Citizen                                                                            | 4 | 2 | 5  |
| Community-based programs for elder persons such as support the FSCAP, NAPC-SCSC, RCMB/RIASC, and Elderly Filipino Week Celebration | 3 | 2 | 6  |
| Conduct of validation assessment using the social pension beneficiary update form                                                  | 3 | 0 | 8  |
| Establishment of the Youth Development Office                                                                                      | 1 | 7 | 3  |
| Youth camp                                                                                                                         | 1 | 2 | 8  |
| Appointment of Youth Development Officer                                                                                           | 2 | 5 | 4  |
| Improvement of children's park                                                                                                     | 0 | 1 | 10 |
| Management of Crisis Intervention Monitoring System (CriMS)                                                                        | 3 | 2 | 6  |
| Provision of Psychosocial support/referral services/non-medical or                                                                 | 4 | 1 | 6  |

|                                                                                                                                   |   |   |   |
|-----------------------------------------------------------------------------------------------------------------------------------|---|---|---|
| financial assistance in Malasakit Centers                                                                                         |   |   |   |
| Provision of Hot Meals                                                                                                            | 3 | 2 | 6 |
| Procurement of rescue vehicle                                                                                                     | 1 | 3 | 7 |
| Milk Supplementation                                                                                                              | 1 | 3 | 7 |
| Establishment of a Referral system for undernourished children who need further medical attention to RHU                          | 1 | 2 | 8 |
| Establish/improve and maintain wash facilities in CDCs to ensure proper hand washing and tooth brushing are practiced by children | 1 | 2 | 8 |
| Analysis of data from LGU Height and Weight Assessment                                                                            | 3 | 0 | 8 |
| Capacity building for Service Providers                                                                                           | 2 | 1 | 8 |
| Develop cycle menu                                                                                                                | 2 | 1 | 8 |
| Provision of Micro-Nutrient packs and goods for children ages 2-5 who are enrolled at CDCs and SNP centers                        | 2 | 0 | 9 |
| Monitoring of nutritional status of children being provided with Supplementary Feeding                                            | 2 | 0 | 9 |

Source: Devolution Transition Plans of lower-Class Municipalities in Masbate

As presented in Table 3.0, the current state of capacity development under the social services sectors is poorly implemented, and below par appreciated at the municipal levels. Whatever the explanations behind the result, further clarification at the municipal level is recommended. Other devolved FSFs under special laws manifest limited sustenance of implementation. For instance, in Solo Parent Act implementation, conveyed limited programs under this act. Though poor it may appear at the municipal level, it is however well known to the public because of DSWD programs associated herein being at the forefront of this act just like the ECCD services implementation. It is good to mention that more LGUs advance their implementation of the Comprehensive Drug Act. After all, this is one of Duterte's main thrust programs during his term. However, disregarding the Comprehensive Community-based Drug Rehabilitation plan will shatter the efforts of our government in the campaign against war. This weak spot of LGUs necessitates strengthening and shall be part of their capacity development agenda.

Sadly, frontline social services from the municipal level do not include programs for human trafficking and elimination of the worst form of child labor. Child labor is still a prevalent issue in our country the Survey on Children indicated that 2.1 million children ages 5 to 17 engage in child labor, of whom approximately 2 million engage in hazardous work. ([Bureau of International Labor Affairs](#), 2021). Even in terms of responding to violence against women, only 2 to 3 LGUs have functional programs. The worst part is most of the FSFs are not recognized as devolved services with overlapping programs provided also by DSWD and the Philippine Women's Commission. On the other hand, it's noteworthy that most of the LGUs focused their social welfare programs on strengthening the Local protection of children. In addition, most LGUs have functional programs on child protection and allocated 1% of their IRA for this purpose.

Somehow, service for PWDs is still weak most LGUs have no data on the implementation of magna carta for disabled persons. Only a few LGUs have existing programs related to it. Correspondingly, results also indicate poor implementation in terms of sustainable livelihood and child pornography. Even in the implementation of the Elder Persons Act, it seems that LGU doesn't focus much on these services. The low number of LGUs implementing it (3 LGUs only) tells us about the need for capacity development. In line with their autonomy, the LGUs opted to implement only those services within their capacity.

The Pantawid Pamilya Program is one of the banner programs of DSWD, however, the DILG and LGUs identified the social preparation under LGU's functions. It turned out that only two LGUs have the list of services under this act while seven have no data. The services on the assistance to individuals in crises were somehow sustained in a few municipalities.

The three sectors have comparable results in terms of the existence and functionality of their services, below 30%. The highest percentage was lodged in the No data in all three sectors. Therefore, the gap is critical and alarming. Most of the services are not available at the municipal level. The umbrella agencies under these sectors are the Department of Agriculture, Department of Environment and Natural Resources, and

Department of Social Welfare and Development and they are also responsible for providing steering and rowing functions to ensure that the devolved services are delivered to the citizens. We cannot discount the fact that there are successful cases where the delivery of social services in health and agriculture improved. However, in many cases, the obligation of LGUs to their constituencies has become a tool for politics. In this instance, the effectiveness and efficiency of decentralized governance is compromised. Proponents of devolution believe that decentralizing the provision of basic services will help people freely identify the kind and number of services they want to receive.

### **Desired State of Capacity**

The desired state of capacity as operationally defined in this study is the desired improvement of the LGUs in the delivery of devolved functions, services, and facilities (FSFs). The current state of capacity in the first section of this study revealed that there is a huge gap in the implementation of devolved services under the local government unit. These gaps can be attributed to the underlying factors brought about by the lack of fund allocation. The scarcity of financial resources especially in the lower-income municipalities served as a tremendous deterrent in the full implementation. The result of this study indicates that human resource complement ranked as the most desired state of the capacity of 11 LGUs in the Agriculture and Extension Services and Social Welfare Services. In many cases, existing personnel were designated for multiple tasks because of this lack of human resources. Most often, the designated ones are not capable or lack the competencies needed to deliver the services with efficiency.

While other LGUs anticipated enhanced productivity yield, they also considered the need for policy reforms, especially since most of the related laws are seldom revisited for their effectiveness and relevance in the present setting wherein climate change has not been foreseen before as the major threat to the agricultural system. There is also a clear connection among the desired services in agriculture as compared to their current state. This desired state affirmed that their current state is inevitable given the limited resources that they have but possible with the increased allocation brought by the Mandanas Ruling.

Environment and Natural resources were poorly prioritized by LGU as reflected in their current state. The result reflects the desire to improve their miserable performance in the past along with an integrated social forestry program. The LGU has to look into the strategic opportunity on its natural resources with a substantial portion of the national and international funding for environmental programs, forest development, and sustainable development that are aligned with community-based forestry. There are no decentralization gaps as to the responsiveness in the implementation of the programs, but the only concern is the tangible proof of employment and income sustainability produced in community-based forestry (UNP Research Journal, 2013). Additionally, LGUs are already aware of the effect of climate change on the environment, hence, there is a desire for improved water supply, combat climate change, and solid waste management. This justified their current state wherein most LGUs lack a water system, climate change enabling policies and management plan, as well as solid waste management plan.

Social welfare services have numerous programs (63) that need support for full implementation. However, this study revealed few desired states in this sector. LGUs' main goal is to increase the competent manpower in social welfare. There is a policy shortcoming in terms of structure in the LGU offices. Instead of hiring personnel with expertise, the LGU often designates existing personnel- without technical know-how, to hold the position by name. The identified desired capacity demonstrates the willingness of LGUs to progress. Among the current state of capacity, the LGUs failed to mention in the desired capacity the weak programs like supplementary feeding, pantawid pamilya program, and special programs for senior citizens and other vulnerable sectors. They also identified unique desires in terms of capacitating the LGUs that will handle Social Welfare Services.

### **Capacity Development Agenda**

Capacity Development Agenda pertains to the needed capacity development under the 6 pillars. The six pillars are: Structure, Competency, Management System, Enabling Policy, Knowledge and Learning, and Leadership.

**Structure pillar.** In the pillar of structure, the data reflects the need for manpower complement in the agricultural, environmental, and social services. The structure pillar is defined as the office, committee, or work group with defined authority to perform functions. The hiring of additional positions is consistent with the desired state of capacity in need of manpower complement. These positions are also mandated by special laws passed after the passage of the Local Government Code of 1991. The creation and hiring of positions entail cost and resources. Modernization and mechanization programs would need technical personnel and hiring of such will surely drain their resources. Consistent with the desired state wherein they would want to increase manpower complement, other services that need technical know-how will follow.

**Competency Pillar.** In the competency pillar, the LGUs described numerous trainings identified by the LGU as their capacity development agenda. Competency is defined as the knowledge and skills of people needed to perform such functions and equally important capacity needs in all aspects of devolution. The LGUs identified numerous trainings related to agriculture however the number of LGUs that identified it is very minimal. Notably, the devolved services under the current state with low implementation are already incorporated in their capacity development agenda in competency. Challenges in the environment and natural resources particularly water and air quality, sanitary landfill, and solid waste management seem to be interrelated to each other. LGUs may formulate integrated capacity development interventions such as mechanisms or strategic actions for networking and partnership. These mechanisms are not identified either in the enabling policy or in leadership. Conversely, the identified capacity development agenda in the 6 pillars will improve their capacity towards their desires, especially in the issues related to a clean and green environment.

**Management System Pillar.** Management Systems are systems, processes, and procedures for managing programs. Programs and services are abruptly deteriorating as presented in their current state. Systematic plans can channel unforeseen changes and improve local governance. However, the process of how the plan was formulated is of great essence. In the management system, plans and systems imply harmonization to rationalization. Among the programs and services that are not implemented by LGUs based on their current state, LGU failed to mention the monitoring and evaluation of agriculture programs that are redundantly delivered by both LGUs and NGAs.

**Enabling Policy Pillar.** Local autonomy, empowerment, and development through the provision of innovative solutions are the promises of devolution. It should be noted that devolution represents a significant ideological shift in policy. Policy for the creation and hiring is highlighted by most LGUs and fails to recognize more imperative policies about special devolution laws in agriculture and extension. For instance, revisiting the research and extension function of LGUs, and policy in the distribution of revenue to priority devolved services, among others.

**Knowledge and Learning Pillar.** LGUs fail to identify a capacity development agenda for managing the past learning of LGUs in the implementation of agricultural services. Without the system of monitoring and historical information, knowledge and learning collate best practices from among them through sharing and benchmarking. These strategies and capacity development needs can be included in this pillar.

**Leadership Pillar.** LGUs affirmed numerous capacity development needs under the first 5 pillars but few for the leadership pillar. Capacity in LGUs means to effectively plan, deliver, and facilitate communication strategies and activities to intended communities, groups, and individuals, with results. This area needs transformational leadership from the local chief executives up to the barangay level. The LGUs can associate the poor implementation of devolved services with the lack of leadership competencies of local leaders. Some scholars emphasize local leadership capacity as an important determinant for effective decentralization (Wallis, 1999 Grindle (2007). The leadership pillar in this study pertains to the presence of mechanisms for defining vision and values, setting strategic functions, transparency and accountability, participatory mechanisms, and partnership and collaboration.

## Comparison of Capacity Development Agenda

Outlined in this study is the comparison using the 6 pillars in Agriculture and Extension Services, Environment and Natural Resources, and Social Welfare Service, respectively. From the result, it is evident

that both RA 7160 and other laws were represented with a capacity development agenda under the 6 pillars, however, the pillars of Knowledge, and Learning and Leadership have very few entries. This means that most of the municipalities identified capacity development agenda mostly in hiring manpower complement, enhancing their competencies through training and seminars, and supporting those interventions with ample enabling policy for legality and sustainability.

The LGUs are firm to demand manpower as one of the capacity pillars needed for devolution. Though there are still functions that will continue to be shared by LGUs and NGAs under Section 3, LGUs' vivid claim for manpower is very evident in the agriculture sector. Along with manpower complement are other capacity development interventions that contribute to the full assumption of their duties by 2024. The comparison also justifies interventions as instrumental capacity per EO 138. Notably evident as well, that these interventions are aligned with the services as stipulated in RA 7160. Relative to the capacity development agenda in Environment and Natural Resources, LGUs have identified specific interventions, and these are consistent with the provisions on EO 138 under devolved functions in RA 7160. The LGUs even include the use of a Geographic Information System as part of their tracking mechanism of forest land areas and their utilization. As mentioned already, there is a gap in prioritizing intervention in terms of knowledge learning and leadership. Improving water quality is among the weak areas of the LGUs as reflected in their current state, with this, they were able to incorporate capacity development interventions in some pillars. The capacity development agenda for Solid Waste Management is targeted by LGUs. Competency, management system, and enabling policy pillars are incorporated as part of the interventions and are likely to help them improve in this aspect of services. Contrary to other devolution laws in the environment and natural resources included in this study, LGUs did not consider the capacity development agenda in the implementation of the Clean Air Act even though 6 of them have no programs as reflected in their current state. There is consistency of capacity development proposed by the LGUs in the sector of social welfare services. Services on child and youth programs, family and community programs, welfare programs for women, elderly, and persons with disabilities, and community-based rehabilitation programs for vagrants, beggars, street children, and juvenile delinquents as devolved services in RA 7160 need equivalent manpower, competency, policy, and leadership and these are identified in their Capacity Development Agenda. With numerous interventions, livelihood programs and other pro-poor projects are left with very few interventions.

### **Priority Interventions per Sector in Six Pillars**

The interventions are listed according to the pillar of capacity namely structure, competency, management system, enabling policy, knowledge and learning, and leadership. These pillars comprise the strategic framework of LGUs to face changes brought about by devolution.

In Agriculture and Extension services, LGUs have identified many interventions in the 6 pillars, particularly in increasing competency through training, seminars, and technical know-how approaches. The competency pillar showed numerous interventions compared to other pillars. This shows that competency cannot be attained in one shot, this has a sequence and hierarchy of order of skills to attain full competency. In contrast, LGUs listed few interventions in leadership. Some scholars emphasize local leadership capacity as an important determinant for effective decentralization (Wallis, 1999 Grindle (2007).

In Environment and Natural Resources (ENR) Services, the number of functions, services, and facilities in the current state that fall in poor implementation are lesser compared to the identified interventions. This means that despite the poor implementation of services in ENR, LGUs broadened their specter in finding solutions by laying down aces of interventions that do not only respond to devolved functions but will sustain the implementation. Several interventions in the management system pillar will sustain the programs given the competent personnel and sound leadership. Similarly, the Social Welfare Services sector can be further improved with the realization of the priority interventions. With the huge number of social services that will be devolved to LGUs, the 11 municipalities recognized basic interventions that focus on child and youth welfare, gender and development, responsible parenthood, child and youth programs, family and community programs, welfare programs for women, elderly and persons with disabilities and existing programs for vulnerable sectors. There is, however, inadequacy in programs such as the juvenile justice system, and community-based rehabilitation programs for vagrants, beggars, street children, and juvenile delinquents.

In summary, the priority interventions showcase a promising impact on the improvement of the delivery of devolved services both in those included in RA 7160 and other laws in these three identified sectors. There is a clear gap in prioritization of the capacity development agenda viz-a-viz the current state of capacity among sectors and the effectiveness of such programs can be attained by creating strategic plans and programs built in the pillars. LGUs will absorb several demands from their constituents and this devolution mandate is an opportunity for them to serve better in the future. The following are the priority capacity development interventions identified as a basis for the capacity development programs of the National Government:

**Pillar of Structure**

- The hiring of agricultural and biosystems engineers, agricultural technicians, meat inspectors, and administrative positions
- The hiring of environmental management specialists, coastal resource management, dump truck drivers, and admin aides
- Hiring of social welfare staff

**Pillar of Competency**

- Training in Livestock and poultry production, slaughterhouse operation, pest management, farm management, nursery management, and organic agriculture
- Training on community watershed and communal forest management, water and air quality, data management on solid waste management, sanitary landfill
- Training on case management, laws, and policies on women, children, PWDs
- Training on ECCD
- Training on database establishment, digital data handling
- Educational programs for drug dependents
- Capacity Building for Youth Development Officer
- Training on psychosocial dynamics

**Pillar of Management System**

- Value chain analysis, monitoring system of fingerlings/fishery mechanization plan, food security plan, farmer information technology system.
- Formulation of ecological solid waste management plans, forest land use plan, water quality management plan
- Updating citizen's charter for various social services

**Pillar of Enabling Policy**

- Creation of positions
- Ordinance related to the protection of wildlife, waste segregation, use of plastics, composting, and environment code.
- Adoption of national laws relative to coastal marine conservation
- Adoption of national laws on women and children
- Ordinance on children's code and GAD code

**Pillar on Knowledge and Learning**

- Database management, feedback mechanisms
- Benchmarking to LGUs with established marine protection, and waste management system
- Establishment of a database system for various sectors (PWDs, Solo Parents, Out of School Youth, Senior Citizens)

**Pillar on Leadership**

- Monitoring of agri-fisheries organizations
- Enactment of MOA with DSWD and other stakeholders

#### IV. CONCLUSION

The non-existence, non-functionality, and non-identification of devolved FSFs in the list of functions that the LGUs should have assumed since 1991 implies low capacity in the implementation of the devolved services. Very evident in the results from the three sectors that LGUs are not fully capacitated in terms of structures, competency, policy, and leadership, that they failed to function even in the delivery of basic services. The low capacity is more prominent in the Social Welfare Services.

An increase in the number of competent manpower is the most desired state of LGUs both in Agriculture and Extension Services and in Social Welfare Services. Eight out of 11 municipalities believed that they could strengthen the implementation of devolved services through manpower complement. In terms of Environment and Natural resources, LGUs desired state is focused on the implementation of forestry programs and a greener environment. This might be brought about by the stringent campaign of the national government on climate change adaptation. LGUs also look towards productivity yield through the establishment of offices and facilities as well as ordinances. About their current state, we can predict that the desired state is the product of their desired outcome, authority, and capacity. The desired state is the positive outlook of their current state of capacity.

The capacity development agenda of the 11 municipalities is responsive to interventions by their current state of capacity. LGUs were able to identify specific interventions per capacity pillar. For instance, the need for manpower complement was highlighted under the pillar of structure while training, policy, systems, and partnership in other capacity pillars. It is also factual to mention that the capacity development agenda will directly impact to improvement of their current state of capacity and move forward to their desired state of capacity.

The capacity development agenda identified by LGUs was aligned with the criteria set by EO 138. The Implementing Rules and Regulations of EO 138 outlined the devolved services under RA 7160 and services and functions under special laws. The LGUs successfully linked the capacity gaps to the capacity development agenda by supplementing interventions in the six pillars. In full assumption in 2024, the identified capacity development agenda will strengthen the current state of capacity, although, the result shows that there are more agenda to be included, specific for each devolved function. Understandably, LGUs have prioritized capacity development agenda in consideration of their absorptive capacity. One of the considerations is the availability of funds, Despite the increased National Tax Allocation through Mandanas Ruling, lower-class municipalities will not receive much to support such numerous devolved functions, services, and facilities.

The 11 municipalities have failed to identify a capacity development agenda on the last two pillars of capacity (Knowledge and Learning and Leadership). Most of the identified interventions fall under structure, competency, management system, and enabling policy. There is a critical gap in the result of the capacity development agenda since most capacity interventions were focused on those pillars only. The LGUs need to revisit the result of their current state of capacity and clarify the non-existence of most of the functions and services. The FSFs with No data can be identified based on their existence and functionality. Review the existing programs and services and decide whether these are part of the devolved services mandated to them or just other redundant programs implemented over the years without much impact. This will somehow show the true picture of the current state of capacity of the 11 municipalities.

The desired state will serve as the vision of the 11 municipalities as to where they want to be in the future. In this case, their time frame to full devolution is in FY 2024. The 3-year transition period will be a challenging path for them, thus, trimming down their desired state will lessen their expectation and will bring them focus as to what to prioritize.

In the pillar of structure, aside from hiring personnel, there is a need to strengthen the organization, councils, and committees that have overseeing functions. This will improve the monitoring system and quality of services.

In developing the competency of personnel, consider the three aspects of competency in the selection of participants. Knowledge and skills must be accompanied by the right attitude of the personnel. Embracing the changes brought out by additional learning will result in the optimum application of knowledge and skills acquired.

Guidelines and Standards in the Establishment of Organizational Structures and Staffing Patterns in Local Government Units under CSC-MC No. 12, s. 2022 can be considered by LGU. In section 14, two or more LGUs may establish a single organizational structure of staffing pattern to consolidate or coordinate their efforts and resources for the delivery of common basic services, maintenance of common facilities, and other purposes beneficial to them. This will augment the financial limitation of the LGUs in hiring additional positions.

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