Implementing the Citizen’s Charter in the Philippines

Insights from Selected Local Government Units

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Abstract

Various governments have taken the bold step of implementing a citizen’s charter initiative as introduced in the UK. Globally recognized as a best practice, the citizen's charters were developed with varying reasons and come in varying degrees of success.

In 2007, in recognition of its international success, the Philippine Government launched an Anti-Red Tape program based largely on RA 9485. The program’s flagship initiative is the creation of citizen’s charters for all frontline services of the government including local governments. After three years of initial implementation, results of the report card survey yielded encouraging results.

However, evaluation of the citizen’s charters developed show absence of stakeholder involvement in the its formulation, varying levels of compliance on the required information in the charter, inconsistencies in the information provided, and lack of customization and innovation on the part of the LGUs with respect to content and form of the charter. These findings act as bottlenecks in effectively driving improved transparency and citizen engagement as well as preventing corruption in government service.
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I. Introduction

In 2007, the Philippine government enacted a landmark legislation that pushes the government’s drive for improved public service delivery to a higher level. Republic Act 9485 otherwise known as Anti-Red Tape Act (ARTA) was signed into law to serve as the government’s commitment to reducing public sector inefficiencies, and preventing graft and corruption. Since then, the law has become the foundation of the service delivery improvement program of the public sector.

One of main features of the law is mandating all agencies and instrumentalities of the government that provide frontline services to develop a Citizen’s Charter. The Citizen’s Charter is an official document that outlines service standards to effectively guide the citizens of availing the frontline service. Five years into its enactment, significant gains can be observed particularly with the improvement in competitiveness ranking. However, the quality of institutions remains to be a perennial problem with corruption and red tape on top of the list of economic constraints.

Moreover, given the inimitable role local governments play in bringing closer critical government services to the citizenry, it becomes imperative to monitor closely the extent and quality of implementation of the Citizen’s Charter. It is in this context that this evaluation is being made.

In the succeeding sections of this report, a brief introduction will be made about the concept of Citizen’s Charter and its application in the United Kingdom, India and the Philippines. The evaluation objectives, corresponding methodologies and scope and limitations of the evaluation will then be discussed. Lastly, findings of the evaluation will be presented and conclusion will be made.

II. Background of the Evaluation

The Origins of Citizen’s Charter

The birth of the citizen’s charter marked a paradigm shift in doing the business of the government. The charters serve as a contract between the public and state on how services are to be provided. It is a shift towards a business-like managerial model of underscoring the client’s needs and demands. Charters serve as official document that outlines the public’s entitlements (Haque, 2007).

In general, the citizen’s charter is composed of elements stating the set of service standards to be followed, persons responsible for the delivery of the service and mechanisms to complain about the service. Introduced first by Prime Minister John Major in 1991, the citizen’s charter was a mechanism to ensure that government services are responsive to the public’s needs. It was meant to provide information about what the citizens can expect from a particular government service (Cabinet Office, 1991).”

Under Major’s Conservative government, the principles of public service for which the public can expect include service standards to be explicitly stated with the presumption of continuous improvement: openness about how the services will be delivered, relevant
fees and accountable frontliner; accurate information should be readily available; choice in accessing services should be offered to respond to different needs and demands of the public; equal treatment of clients regardless of race and sex; ensure that citizens are convenient in accessing the service; and, the citizens should be given feedback or explanation for any deviation from the standards (House of Commons, 2008).

All of these principles have served as the underlying foundations of similar reforms in other countries.

**International Experience: Critical Challenges for Charter Implementation**

It was soon that the world followed suit. Other countries adopted similar initiatives with varying motivation and specification. As Drewry (2005) pointed out, governments launched their own reforms to improve performance through the charters. However, other countries use the charters to “justify performance” and to comply with aid conditionalities (Drewry, 2005).

While most of the charters are geared towards improving public sector performance and acted as a contract between the government and public, it has evolved into an empowerment tool as well as an anti-corruption mechanism. Shah (2006) posited that for countries with high incidence of corruption and quality of governance is poor, institutions for exacting accountability such as the citizen’s charter should be strengthened.

<table>
<thead>
<tr>
<th>Country</th>
<th>Initiative</th>
<th>Year</th>
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<tbody>
<tr>
<td>Belgium</td>
<td>Public Service User Charter</td>
<td>1992</td>
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<tr>
<td>Hong Kong</td>
<td>Performance Pledge</td>
<td>1992</td>
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<tr>
<td>France</td>
<td>Service Charter</td>
<td>1993</td>
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<tr>
<td>Malaysia</td>
<td>Clients Charter</td>
<td>1993</td>
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<tr>
<td>Spain</td>
<td>The Quality Observations</td>
<td>1993</td>
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<tr>
<td>Portugal</td>
<td>The Quality Charter in Public Services</td>
<td>1993</td>
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<tr>
<td>Malaysia</td>
<td>Client Charter</td>
<td>1993</td>
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<tr>
<td>Jamaica</td>
<td>Citizen’s Charter</td>
<td>1994</td>
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<tr>
<td>Canada</td>
<td>Service Standards Initiatives</td>
<td>1995</td>
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<tr>
<td>India</td>
<td>Citizen’s Charter</td>
<td>1997</td>
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<tr>
<td>Australia</td>
<td>Service Charter</td>
<td>1997</td>
</tr>
<tr>
<td>South Africa</td>
<td>People's First</td>
<td>1997</td>
</tr>
<tr>
<td>Namibia</td>
<td>Public Service Charter</td>
<td>1999</td>
</tr>
<tr>
<td>Argentina</td>
<td>Cartas Compromiso</td>
<td>2000</td>
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<tr>
<td>Sweden</td>
<td>Servicedialogue</td>
<td>2001</td>
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<tr>
<td>Samoa</td>
<td>Service Charter</td>
<td>2002</td>
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</table>

Source: Centre for Good Governance, 2003, Drewry, 2005

The process of charter development appears to differ from country to country. The top-down approach adopted by UK, Belgium and France emphasizes the adoption of similar standards for all public services. On the other hand, the bottom-up approach of Australia, Italy, Spain and USA hinges on the importance of getting citizen’s expectations in making the standards (Haque, 2007).

Twenty years on since UK’s introduction of the concept, it can be noted from various countries’ experience that modest gains have been achieved in the first few years of
implementation. However, charters have increasingly been neglected over the years and as a result, relegated as a mere compliance to national government requirements.

In UK, the Labour Party-led government of Tony Blair sustained the reform momentum generated by the previous government and created his own Service First in 1998. On top of the existing standards, the program introduced six key service standards\(^1\) that all central government agencies must adhere to and report on compliance annually. Although Humphreys (1998) point to the entrenchment of the service standards into the public’s expectation as the reason behind sustaining the charter initiative, the Service First program appears to have been discontinued altogether since the program is seen to be “too confused in its objectives” resulting to loss of public’s respect to the cause (House of Commons, 2008).

In India, there are 767 charters of the Central Government, State Government and Union territories in 2006 alone. However, an initial evaluation in 2003 of citizen’s charter development show lack of stakeholder consultation, which could have resulted to lack of improvement in client satisfaction and quality of services provided (Public Affairs Centre, 2007). In 2007 after ten years of implementation, the Public Affairs Centre carried out a comprehensive national review of charters in India mainly to evaluate the quality of the charters and its impact in increasing transparency in the public service. The review showed that no charter in India contain the essential components of an internationally accepted charter. Generally, end-users and civil society organizations were not consulted in the development of the charters (Public Affairs Centre, 2007). An assessment commissioned by the government reveals similar results. Charter contains outdated and poor quality service standards (Indian Institute of Public Administration, 2008). The evaluation concluded that:

“…the Citizen’s Charter programme of most organizations suffers from poverty of participation and failure of communication, is marked by poor, undefined, ambiguous standards and commitments, carries low visibility and negligible presence not only in public domain but also within the organisation, possesses inadequate mechanism for fulfillment of commitments, however insignificant, lacks a strategy and resource support for its realisation, is shorn of the instruments of measurement, review and evaluation of implementation and outcomes, and has no strategy towards distinguishing the performers from non-performers.” (Indian Institute of Public Administration, 2008, p. 25)

The Nepalese program on citizen’s charter also suffers the same fate. While the charters strengthened the relationship between the municipal government and the public, lack of awareness among the client and lack of capacity on the side of the government serve as institutional constraints to achieving the full potential of the citizen’s charter. (Acharya, 2010).

These international experiences bring to the fore not only the impact of citizen’s charter in improving government services but also its pitfalls and limits. These are the lessons the Philippine government need to draw upon in its effort to institutionalize charters.

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\(^{1}\) These standards include setting a standard response time for letter, making 10 minutes as standard waiting time, provision of clear and straightforward information about services and contact details, regular consultation with the users about the services and report on the results, establish a complaints procedure and guarantee a response for inquiries; and commitment to providing all services available to everyone, including people with special needs.
Pre-RA 9485 Citizen’s Charter Initiatives in the Philippines

In the Philippines, the local governments picked up the trend of creating citizen’s charter. Prior to the enactment of the ARTA, the Naga City Government published a guidebook on key government services in 2001, which laid the ground for the issuance of its citizen’s charter. The initiative was due partly to a USAID-funded project that began in 1997. More than four editions of the charters have been published since then.

The City Government of Marikina also crafted similar charters in 2004 and 2007. The Makati City Government launched its own Citizen’s Guidebook in 2006 with the end in view of making transactions between the government and the public easier.

Recognizing the positive gains derived from the charters, the Development Academy of the Philippines launched a program dubbed as “Improving Public Service Delivery, Transparency and Accountability in Local Governance through Citizen’s Charter.” It is a program funded by the British Embassy that assisted six LGUs in coming up with their own citizen’s charter in 2006. These cities include Iligan, Sorsogon, Laoag, Dumaguete, Bacolod and Digos.

On the national government front, Memorandum Circular 35 issued in 2003 mandated all departments and agencies to develop and publish “service guides” in the form of brochures or handbooks as well as workflow charts (Government of the Philippines, 2003).

The service guides shall include the a) brief information about the agency, its mandate and functions including all the services the agency provides to the public, b) procedure or sequence of steps to be followed, c) documents required relative to the service, d) amount of fees to be paid and corresponding legal bases, e) service standard such as maximum processing time, f) service pledge of the agency, g) rights and responsibilities of persons availing of the service, h) procedure for filing complaints and providing suggestions and feedback, and i) other such information as the head of the agency may deem necessary to improve the delivery of services.

Similarly, as a response to growing demands to boost competitiveness of the country, Executive Order No. 605 was issued in 2006 to institutionalize the government’s quality management program. The policy issuance mandated all executive agencies to adopt ISO 9001:2000 standards. An integral component of the program is the establishment of “citizens’ charter of key government offices that shall be provided to the transacting PG

Figure 1 LGUs with Citizen’s Charter before RA 9485

Source: Development Academy of the Philippines, 2007
public as government’s manifestation of service guarantee” (Government of the Philippines, 2006).

**Anti-Red Tape Act of 2007 (Republic Act No. 9485)**

In order to promote integrity, accountability, proper management of public affair, Republic Act No. 9485 otherwise known as the Anti-Red Tape Act of 2007 was signed into law by the former President Gloria Macapagal-Arroyo on June 2, 2007. ARTA is a corruption-prevention tool by increasing transparency and promoting honesty and responsibility in service delivery as well as a process simplification mechanism to reduce red tape and expedite transactions. Since then, ARTA served as the foundation for the anti-red tape program of the government.

The act, which covers all government offices and agencies including local government units and government-owned or -controlled corporations, requires reengineering of systems and procedures (Section 5) and establishment of a citizen’s charter (Section 6). It also sets the agency heads as primarily responsible for the implementation of ARTA and accountable for the delivery of fast, efficient, convenient and reliable service (Section 7).

As defined by the law, citizen’s charter refers to:

> “an official document, a service standard, or a pledge, that communicates, in simple terms, information on the services provided by the government to its citizens. It describes the step-by-step procedure for availing a particular service, and the guaranteed performance level that they may expect for that service.”

(Government of the Philippines, 2008)

The citizen’s charter shall be in a form of an information billboard and published or printed material.

ARTA is a powerful law that repeals all other issuances that are incompatible and inconsistent with it. It also sets minimum standards in accessing frontline services which include maximum processing period of five (5) days for simple transactions and ten (10) days for complex transactions. Signatories are also mandated to be limited to a maximum of five.

One of the best features of ARTA is the criminalization of fixing. A fixer is defined as “any individual whether or not officially involved in the operation of a government office or agency who has access to people working therein, and whether or not in collusion with them, facilitates speedy completion of transactions for pecuniary gain or any other advantage or consideration” (Government of the Philippines, 2007). The criminal liability of a fixer shall be imprisonment not exceeding six (6) years or a maximum fine of ₱200,000 (or almost US$ 4,800).

In 2008, the Implementing Rules and Regulation (IRR) of RA 9485 further defined the required information to be published in the citizen’s charter, which are as follows:

a) Vision and mission of the government office or agency;

b) Identification of the frontline services offered, and the clientele;

c) The step-by-step procedure to obtain a particular service;

d) The officer or employee responsible for each step;

e) The maximum time to conclude the process;
f) Document/s to be presented by the client, with a clear indication of the relevancy of said document/s;
g) The amount of fees, if necessary;
h) The procedure for filing complaints in relation to requests and applications, including the names and contact details of the officials/channels to approach for redress;
i) Allowable period for extension due to unusual circumstances; i.e. unforeseen events beyond the control of concerned government office or agency; and
j) Feedback mechanisms, contact numbers to call and/or persons to approach for recommendations, inquiries, suggestions, as well as complaints.

Lastly, the IRR provided for the involvement of stakeholders, users and beneficiaries of the frontline services in the formulation and refinement of the charters.

**Anti-Red Tape Program & Citizen’s Charter Initiative in the Philippines:**

Using the ARTA as springboard, the Civil Service Commission (CSC) launched a program that to ensure the immediate, swift and effective implementation of the law. An oversight committee headed by CSC was created by virtue of ARTA with the Office of the Ombudsman, the Presidential Anti-Graft Commission, and the Development Academy of the Philippines as members.

The Development Academy of the Philippines (DAP) headed the capacity-building component of the program. By 2009, several national line agencies, local government units and state universities and colleges have been trained by DAP in formulating and implementing the citizen’s charter. DAP also provided technical assistance to national line agencies and local government units in customizing their own charters.

The CSC is primarily responsible for ensuring the compliance of all agencies covered as well as evaluating the effectiveness of the entire program. As of March 2011, 79.8% compliance is reported, a jump from 66% compliance rate of October 2009. LGUs have the highest compliance rate at 95.7%.

As provided in the ARTA, the CSC has also initiated the Report Card Survey (RCS). The survey aims to “obtain feedback on existence and effectiveness of, as well as compliance with the Citizen’s Charter, and how the office or agency is performing insofar as frontline services are concerned” (Government of the Philippines, 2007). Similarly, the survey will be used to look into the experience of the citizens as to hidden costs in accessing frontline services such as bribes and payment to fixers.

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<th>Table 2 Status of Agency Compliance</th>
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<tr>
<td><strong>Type of Agency</strong></td>
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<tr>
<td>National government</td>
</tr>
<tr>
<td>Local government units</td>
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<tr>
<td>Government corporations</td>
</tr>
<tr>
<td>State universities and colleges</td>
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<tr>
<td>Local hospitals and local schools</td>
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<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Civil Service Commission, 2010

The survey methodology adopted by CSC covers individual clients who have recently availed of any frontline service of the agency. The survey is conducted through face-to-
face interviews immediately after availing of the service. The study included questions to get perception on agency compliance with ARTA requirements, frontline service providers, quality of service provided, physical working conditions and overall satisfaction level of the client (Civil Service Commission, 2011).

In 2010, the RCS was conducted in 50 government agencies including local government agencies nationwide. From the RCS results, CSC was able to award nine agencies\(^2\) which got the highest scores with the Seal of Excellence (Civil Service Commission, 2011).

In 2011, CSC conducted once again the RCS with mostly encouraging results for national line agencies. Respondents were able to take notice of most of the provisions of the citizen’s charter as posted in the premises of the national agencies. Items most noticed by the respondents were the step-by-step procedure, responsible officer and documentary requirements (Civil Service Commission, 2010).

However, for LGUs observance of the Citizen’s charter are significantly lower than their national counterparts. This could provide possible indication of lower effectiveness of the citizen’s charter in local governance.

An additional component to the ARTA initiative is the ARTA Watch. ARTA Watch is a spot checking mechanism to determine agency compliance to ARTA provisions. Conducted by the CSC, it was brought about by complaints received by the Commission on alleged violations of ARTA and incidents of fixing. It aims to emphasize the “no noon break policy” and serves an information and advocacy drive for the other programs of the CSC. As of April 2011, CSC has visited 13 agencies under the ARTA Watch (Civil Service Commission, 2011).

<table>
<thead>
<tr>
<th>Table 3 Posting and Observance of Citizen’s Charter (LGUs) in 2011</th>
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<tbody>
<tr>
<td><strong>Item</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td>Step by step procedure</td>
</tr>
<tr>
<td>Officer/Employee responsible</td>
</tr>
<tr>
<td>Max. time to conclude the process</td>
</tr>
<tr>
<td>Documents to be presented by client</td>
</tr>
<tr>
<td>Amount of fees, if necessary</td>
</tr>
<tr>
<td>Procedure for filing complaints</td>
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<tr>
<td>Feedback Mechanism</td>
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</table>

Source: Mendoza, 2011

Due to their “proximity” to the public, local governments have the most to gain from establishing citizen’s charters. In UK, over 10,000 local charters have been created in 1997 only (House of Commons, 2008). In India, 288 state governments institutionalized charters by 2006 (Public Affairs Centre, 2007).

\(^2\) Seven of the nine agencies were local government units, which include: Province of Compostela Valley, Mati City, Tacurong City, Borongan City, Province of Camarines Sur, Baruen, Leyte, and Province of Zambales.
III. Objectives of the Evaluation and Methodology

Having been implemented for more than three (3) years, the government’s efforts to roll out the development of a Citizen’s Charter formulation among LGUs must be evaluated. An independent formative evaluation will allow oversight agencies to adequately address constraints to implementation and identify best practices and lessons learned by the LGUs, which can be replicated to other LGUs and national government agencies.

Objectives

The formative evaluation aims to provide a glimpse of how the Anti-Red Tape Act of 2007 was implemented in relation to the formulation and implementation of the Citizen’s Charter. It will examine the level of compliance to the law both in terms of process and content, and the quality and perceived usefulness of the Citizen’s Charter to internal and external stakeholders for the selected LGUs. Recommendations and next steps will be drawn to serve as input for policy makers.

In particular, the evaluation will look into the following review criteria:

a) Relevance. The over-all formulation and implementation process will be assessed as to its responsiveness to the spirit and letter of the law.

b) Compliance. How the LGUs have incorporated the required information and the minimum process in formulating the Citizen’s Charter shall also be covered by the assessment.

c) Effectiveness. Demonstrable results on the part of the LGUs will be reviewed in terms of operational efficiency and improved citizen engagement. Particular focus will be given to the quality of the Citizen’s Charter produced as to achieving the intended outcomes of the program (see Figure 2).

It is envisioned that the results of the evaluation will be used to improve the Citizen’s Charter of each LGUs covered. Similarly, the evaluation shall provide specific recommendations on how to boost further effectiveness and impact of the program.

Methodology

In order to carry out the evaluation, content analysis of the citizen’s charters and key informant interviews were employed,

The Citizen’s Charter was analyzed in terms of the extensiveness of information provided. The content analysis was used to determine the level of compliance to the law and identify innovations made by the LGUs. Following similar methodology adopted by the Public Affairs Centre, full points were allocated to compliance of including the ten required information and half a point to partial compliance. Comparison will be made between the charters being evaluated to establish the following:

- Commonalities and differences in terms of approach of development and implementation of the charters
- Convergence or variances in terms of the time standards, requirements and fees for similar services
- Manner by which complaints will be handled
- Presence of innovative mechanisms such as a redress system

a) Key Informant Interviews. Interviews were made to clarify findings of the content analysis and get a closer understanding of approach adopted in program
implementation. As implementers, the LGUs were interviewed to provide information on:

- Overall process adopted in formulation and implementation of the charter including facilitating and hindering factors
- Extent of public participation and consultation in the process including mechanism for information dissemination
- Extent of reengineering and systems improvement done in terms of reduced processing time and requirements
- Extent of compliance to the charters by internal stakeholders (whether sanctions or rewards have been given or audits were conducted) and external stakeholders (in terms of the complaints and feedback by the public)
- Usefulness of the charter to the frontline service providers and enterprises, particularly in terms of corruption prevention and work simplification
- Action to improve the charter

Due to unavailability of the key informant, no interview was conducted for Mandaluyong LGU but an official copy of the citizen’s charter from the Public Information Office was provided. For the list of the interviewees, see Annex A.

IV. Scope and limitations

Scope and limitations of the evaluation

The evaluation shall involve assessment of the Citizen’s Charter of five (5) LGUs in Metro Manila, namely Mandaluyong City, Pasig City, Marikina City, Manila and Makati City. LGUs were chosen to provide comparable variables in terms of the experience in conforming to the requirements of the law. One group of LGUs (Marikina and Makati) has previous experience in preparing a similar document to the citizen’s charter. On the other hand, the second group has little or no similar experience.

To lend focus in the assessment, the evaluation shall chiefly dwell on business permits and licensing. The frontline service pertaining to issuance of business permits is chosen due to its unmistakable role in promoting local economic growth and investment.
Limited time and resources constrained a more extensive analysis that would involve all frontline services of an LGU.

The evaluation results are limited to the experiences of each of the LGUs and will not be used to represent for the entire government. However, the evaluation is intended to provide an insight on the differences and commonalities in the experience of implementing the Anti-Red Tape program between LGUs that do not have and have citizen’s charter.

The evaluation is also limited to assessing output and short-term outcome results. Given that the program has been implemented for less than five (5) years, it would be difficult to measure the program’s contribution to the President’s societal goal of inclusive growth and poverty reduction. Similarly, the RCS was meant to measure the long-term outcomes in terms of reduction on the hidden costs of accessing frontline services.

The study does not cover the assessment of the business permits and licensing systems of the LGUs. It is not meant to assess the quality and timeliness of the services provided but rather on the how the system relates with its charter, whether it is translated effectively as service standards.

**LGU profile**

The LGUs under study are five of the seventeen cities/municipalities that comprise Metro Manila or the National Capital Region (NCR). Manila, Makati and Marikina have been hailed as top performing cities according the Philippine Competitiveness Ranking Program in 2007 (Asian Institute of Management, 2007). The Doing Business Sub-National Report reported Manila as having one of fewest procedures for starting a business. On the other hand, Pasig has the most procedures with 22 (World Bank and International Finance Corporation, 2010).

Below is a short description of the LGUs under study.

The City of Makati with a population of 510,383 is one of the most densely populated cities in the Philippines. As a host of various financial, commercial and economic activities of the country, the city has been hailed as the Financial Capital of the Philippines.

Marikina City has a population of 496,205 from its 16 barangays (villages). It was proclaimed a city only in 1996 through Republic Act 8223. With shoemaking as its primary industry.

With a total land area of 1,124.97 hectares, Mandaluyong City has a total population of 278,474 and the most densely populated in the entire world. Composed of 27 barangays, day time population is three to four times of its nighttime population due to office and financial areas within the city.

The city of Manila is the capital city of the Philippines and is inhabited by 1,660,714. It is the second most populous city in the whole country with more than 43,000 inhabitants per km². Its economy is driven a diverse industries such as manufacturing, publishing and tourism.
Lastly, Pasig city was primarily residential and industrial but has increasingly become commercial due to rise of Ortigas Center Business District. With 30 barangays, Pasig city is inhabited by 617,301 people.

V. Evaluation Findings

The Citizen’s Charters

Makati has a citizen’s guidebook uploaded in the website as well as citizen’s charter distributed to all barangays in 2008. The charter was used as basis of the billboard and leaflets/brochures that outline the requirements and procedures.

Apart from the Citizen’s Factbook, Marikina BPLO has brochure that describes the steps of business permits and licensing. Forms and procedures are also posted in the city government website. Summary of the requirements and procedure posted outside the office.

Figure 3 Number of Procedures to Start a Business

Figure 4 The Makati city Citizens Charter
Mandaluyong has a posted charter in front of city hall. Brochures of the guidelines are also available via the Public Information Office. While there is a procedure posted online, it appears that it is outdated and is not consistent with the guidelines as described in the charters.

Manila posted the procedures in front the Bureau of Permits office. Pieces of paper containing the requirements are also handed out to those who inquire about the procedure.

Pasig has guidelines in securing mayor's permit. Process flow chart displayed prominently in the waiting area describe the step-by-step procedure of the availing the service. Strips of paper that describe the process and requirements are also available.

**Relevance: Development of the Citizen's Charter**

Except for Marikina, the development of the citizen's charter was prompted by the enactment of the law and succeeding policy issuances. The CSC actively advocated for the timely compliance of all agencies to set up their charters which was on September 2009. Marikina is currently in the process of developing a revised version of their Factbook due to CSC audit findings of non-compliance to provisions of ARTA.

However, no stakeholder was consulted or involved in the process of developing or refining their respective citizen's charter. While there are existing opportunities for citizen consultation such as business associations/councils, these mechanisms tend to focus on feedback on issues concerning the service rather than active participation in agreeing on service standards of the LGU.

In the process of setting up the charter, LGUs simply translated internal process standards into service commitments. In particular, Makati had an easier time in making the service standards due to the on-going installment of quality management system for the business permits services during that time. Similarly, given the fact that business permits and licenses have been one of the most studied and reengineering frontline service, the availability of documented good practices combined with policy directions by the national government facilitated the charter development process.

In relation to this, there is little indication that the sample LGUs performed reengineering and simplification of work procedures. Makati was able to show...
significant reductions in processing time from 8 days during peak periods in 2008 to 2-3 days in 2011. However, reductions in processing time is chiefly attributed to the ISO 9001:2000 certified processing system, which allowed for regular monitoring of work performance and corresponding corrective actions for non-conformance to standards. Marikina also noted the recent issuance of an internal manual of operations to guide staff on how to perform properly tasks assigned to them.

A closer assessment of the format used for the citizen’s charter, it can be ascertained that most of the LGUs follow the ‘prescribed’ template of the citizen’s charter, which is mainly in matrix form. Apart from the inclusion of process flow charts in Marikina and Pasig as well as a zoning map in Mandaluyong, no customizations were made into the template citizen’s charter. No LGU presented the charters in the local language or Filipino. All of the sampled citizen’s charters were presented in English.

**Relevance:** **Dissemination and Implementation of the Citizen’s Charter**

Different methods for disseminating the Citizen’s charter were employed by the LGUs. Makati printed copies of the charter and sent it to all of the city’s barangays (villages). The charters of Marikina, Pasig and Mandaluyong in a brochure are made available only within the premises of the city hall.

There are also strips of paper that contain the basic requirements and steps handed out by some of the LGUs. Information on getting business permits are also available in each of the LGU’s websites except for Pasig, which was under construction when this evaluation was made.

All of the LGUs have charters posted in conspicuous areas of the city hall and the area where the services are provided. The waiting areas were generally spacious, air-conditioned and equipped with television sets.

One of the most challenging aspects of having different forms of the charter is ensuring consistency of information provided. Inconsistencies were found on the requirements and steps to be undertaken between the information provided in the pieces of paper handed out, the printed citizen’s charter and website for some of the LGUs. Upon verification, some of the requirements were not reflected since it is not being required for all applicants.

Since the law provide for sanctions for non-compliance of the service standards in the charter, it is critical to determine whether the service standards indicated are followed. However, only one LGU (Makati) monitors the time it takes for the business permits to be issued. Total processing time is generated by a system and reported to Management. Causes of deviation from the standards are systematically analyzed and addressed. For all of the LGUs, monitoring is made by the CSC which conducts the RCS and ARTA Watch.
**Compliance**

The information required by ARTA pertains to what’s, how’s, where’s and whys of the frontline service. This information is crucial to anyone who wants to avail of a service and someone who wants to do it expeditiously.

**Table 4 Compliance to Information Requirements of the ARTA**

<table>
<thead>
<tr>
<th>Required Information</th>
<th>Makati</th>
<th>Marikina</th>
<th>Mandaluyong</th>
<th>Manila</th>
<th>Pasig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision and mission of the government office or agency</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Frontline services offered and clientele</td>
<td>1</td>
<td>1</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Step-by-step procedure to obtain a particular service</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0.5</td>
<td>1</td>
</tr>
<tr>
<td>The officer or employee responsible for each step</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>The maximum time to conclude the process:</td>
<td>0.5</td>
<td>0</td>
<td>0</td>
<td>0.5</td>
<td>1</td>
</tr>
<tr>
<td>Documents to be presented by the client, with a clear indication of the relevancy of said document(s)</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>The amount of fees, if necessary</td>
<td>0</td>
<td>0</td>
<td>0.5</td>
<td>0</td>
<td>0.5</td>
</tr>
<tr>
<td>The procedure for filing complaints including the names and contact details of the officials to approach</td>
<td>0.5</td>
<td>0.5</td>
<td>0</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Allowable period of extension due to unusual circumstances</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Feedback mechanisms, contact numbers to call, and/or persons to approach</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total points</strong></td>
<td>7</td>
<td>5.5</td>
<td>3</td>
<td>6</td>
<td>6.5</td>
</tr>
</tbody>
</table>

All LGUs have stated the documentary requirements to avail of business permits and licensing. Additional requirements set by the national government were also included in three of the five charters sampled. However, two important findings should be noted. First, as discussed earlier, there were inconsistencies found in charters due to new documents required by recent policy issuances such as the Fire Safety Inspection Clearance and the documents not included in the charters are not required for all applicants. The documentary requirements are differentiated according to the profile, whether high risk or low risk of the applicant. Only Makati and Mandaluyong were able to express this differentiation in their charters.

As to frontline services offered, Makati and Marikina can further enumerate or list down the services offered by the business permits and licensing office. Manila and Pasig also need to identify clearly who are eligible to avail of the services.

Most of the LGUs were able to provide a clear sequencing of steps even including a process flow chart in their charters. The step-by-step procedure appears to be tricky to comply on the part of Mandaluyong. Offices and their respective guidelines were discussed but not on how to avail of the specific service. Manila identified only one step
in their charter, which was to submit application form but failed to incorporate making payment and requesting for the issuance of the business plate.

Only three LGUs were able to show the responsible officer of each step. Marikina will able to comply with this requirement as soon as the revised edition of their charter is published.

Contact information was present in all charters. Marikina and Makati also provided for the specific person to be contacted. However, there were no procedure and service standards for making complaints were found among the charters. Positive feedbacks were given through the suggestion boxes and information desks but complaints appear to be directly channeled to the Mayor of each city due to absence of a specific procedure.

Surprisingly, the two of the least complied to are on the maximum processing time, and amount of fees to be paid. The findings is consistent with the RCS results that these are some of the information least noticed by the respondents. Although processing time per step was shown by Makati and Manila, the maximum processing time were not shown. If one has to add it all up, processing time for those with complete documents and low profile applicants in Manila is 19 minutes and 1 day and 6 minutes for Makati. These are actually different from the actual processing time of 30 minutes and 2 days, respectively. Pasig was the only one that committed a maximum processing time of 4-6 hours or one working day. For all of the LGUs, the critical assumption that the processing time only applies when applicant holds complete documentary requirements and that all goes well is not articulated in the charter.

On a similar note, amount of fees seem to be difficult to commit. Each of the LGUs sampled employ different ways of computing the business permit fee and other regulatory fees. Basis for the computation may be available on-line for some, but it is not included in the charters. Pasig was the only one that included a statement that “cost varies depending on type of business”.

This information requirement is included for the protection of the service provider that in the event of unusual circumstances, the service provider can extend the time standard set in the charter. However, none of the LGUs were able to discuss the allowable period of extension due to unusual circumstances.

Over-all compliance to information requirements as set in the ARTA appear to be promising. It is however, modestly successful since some of the most important information that should be contained were not yet included in the charters.

**Effectiveness**

After three years of implementation, how the charters contribute to increasing transparency and promoting integrity in government service need to be determined. According to the service providers interviewed, the posting of the charters resulted in a better informed citizens. Less questions are asked and less complaints are received. Although applicable to local health services, the posting of the citizen’s charter as well as improvement in facilities led to a reduction in complaints by 80%.

However, the citizens were observed to have the need to confirm what was posted. Usually, they would confirm with the frontliners about information posted in the billboard. That is why most of the LGUs have a piece of paper to be handed out that
contains the steps and procedures. This act of giving the information personally is probably seen as a more reliable exchange of information. Following the perspective of a citizen, getting a document from a responsible person gives you the power to make them accountable if the information provided is incomplete.

The citizen’s charter is meant to reduce red tape and prevent corruption by “reducing monopoly power over information and approving authority clarifying and limiting discretion in evaluating applications through clear and predictable rules, and raising accountability through transparency, set service standards, performance monitoring, sanctions and incentives” (Mendoza, 2011, p. 14). However, the charter’s potential as a corruption prevention tool is undermined based on how it has been developed and implemented. Inconsistencies in information provided and non-inclusion of critical information such as fees and maximum processing time does not address and in fact, exacerbate information asymmetry. Discretion is high during assessment of fees and during inspection of the business premises, which are not covered by the citizen’s charter. Admittedly, most of the LGUs deem these areas most vulnerable to corruption. While transparency increased by posting the service standards and procedures, very little performance monitoring and provision of incentives and sanctions were found. This means that the charters have done little progress as to changing the incentive system which allows corruption to happen.

In terms of the experience of the citizen with fixing, RCS for 2010 reveal encouraging results. Only 0.3% of the respondents reported attempts of fixing. There were also experiences of paying more than what was reported in the charters (4.2% of respondents). However, fixing activities may have significantly reduced during the time of enumeration since the survey was conducted near the service areas (Civil Service Commission, 2010).

<table>
<thead>
<tr>
<th>Table 5 Number of Respondents by Degree of Overall Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Satisfaction Level</strong></td>
</tr>
<tr>
<td>Very Satisfied</td>
</tr>
<tr>
<td>Satisfied</td>
</tr>
<tr>
<td>Moderately Satisfied</td>
</tr>
<tr>
<td>Dissatisfied</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Civil Service Commission, 2010

It is also important to look into citizen satisfaction because of the simplification of procedures. In general, the RCS reported 90% of the respondents were either very satisfied or satisfied. Respondents were also most satisfied with equal treatment by the service providers or provision of services according to ‘first-come, first-serve’ basis (Civil Service Commission, 2010). High satisfaction levels are also reported by Makati at 89%.

VI. Conclusions and Policy Implications

The Anti-Red Tape Act of 2007 is a landmark legislation because it attempts to bridge information asymmetry that breeds corruption. The first three years of implementation show modest but laudable gains. Compliance to the law is high compared to similar initiatives in the past. The importance of transparency and accountability is once again emphasized by publishing standards the public can expect from government services.
Citizen satisfaction has been considered in the design of the services and the public has responded positively.

However, certain characteristics of how the initiative has been coordinated can possible constrain the achievement of the objectives of ARTA. Inherently top-down approach of developing the charters appears to limit the LGUs from going beyond complying the templates provided. The low degree of customization point to LGUs merely complying with national directives. Limited stakeholder involvement indicates low responsiveness to stakeholder needs and demands. Developing service standards should move away from provider’s viewpoint of the system to end-user perspective. These two key findings question the sustainability of the citizen’s charter initiative. Top-down approaches by UK and India seem to have led to the program’s downfall.

The citizen’s charter is meant to be the service contract between the government and its public. It intends to manage expectations of the citizens and ensure that the government is fit to fulfill its own standards. Achieving this objective may be difficult given the inconsistencies in the information provided and missing information on fees and maximum processing time. Under the existing situation, expectations are still disproportionate opening opportunities for abuse and corruption on the side of the government.

Moreover, there are still the question of trust and credibility of the information provided by the government. The main sources of information regarding the services are family and friends (Civil Service Commission, 2010). Family and friends are more reliable source of information because they are the ones we trust that could provide us with accurate information. Similarly, the apparent distrust of the government must have emanated from the fact that the public accepted that corruption is generally part of government and resigned to the idea that it will improve (see SWS Survey of Enterprises on Corruption and TI’s Global Corruption Barometer). Increasing trust and credibility then becomes an important precondition to achieving the full potential of the citizen’s charter.

Potential for corruption prevention is also undermined. In addition to improving transparency and reliability of information, internal support mechanisms should also be strengthened. Makati’s program of quality management system jived well with the idea of citizen’s charter because it established a performance and compliance monitoring system. Similar programs including capacity building and work productivity improvements should be adopted in order to ensure effectiveness of the citizen’s charter initiative.

The citizen’s charter initiative and the anti-red tape program are promising in improving stakeholder engagement and systems integrity of government services. Based on the insights from the LGUs sampled, the following actions are recommended to improve the program’s implementation:

- Ensure that agencies consult stakeholders in the revision of their citizen’s charters to determine their needs and expectations of the service;
- Look into enforcing the provision on reengineering of processes and mandate the development of standards using the perspective of the citizen;
- Increase public awareness on the citizen’s charter and ARTA’s provisions;
- Re-align the report card survey to not just measure compliance and improve its validity and reliability in terms of measuring experience of corruption;
- Reward LGUs that show innovation in implementing their citizen’s charter such as translating it into the local language, etc.; and,
- Encourage the installation of quality management systems for business permits and licensing, and other complimentary management systems.

VII. Personal Conclusions

The personal project has been a learning experience for me in two ways: as a citizen and as a development practitioner.

I was a citizen because I availed of the services of the five LGUs I have sampled. For most part it was a satisfying experience seeing how easily the documents were produced and interview were scheduled. I was able to follow up on my concern with ease since the offices responsible can easily determine the status of my request, something I did not expect. People were very helpful and accommodating with my requests.

There are also frustrating instances such as my letter being forwarded to three offices. After a week, no one has acted on my request. There was also this time when the office could not act on my letter because the officer responsible was not present. I went to a five offices to look for someone that I can interview but failed.

Experiencing these highs and lows of a citizen’s journey is always a humbling experience. As someone who was involved in the citizen’s charter initiative since its roll out in 2008, I have taken pride at the features of the law at how remarkable the citizen’s charter is supposed to be. Seeing how it has succeeded affirmed our efforts. Nevertheless, seeing how it has failed challenged me further.

As a development practitioner, I have come to realize that change does not happen over night. Change is not brought about by policy and directives of the government. Policy serves only as enabler. The citizens are not just the beneficiaries that should be consulted but rather active stakeholders that should be engaged in the delivery of government services and development as a whole.
References


Mendoza, M. L., 2011. *Legislating Citizen's Charters to Promote Citizen-Centric Public Services*. Moscow, Association for Public Policy Analysis and Management, National Research University-Higher School of Economics, University of Maryland School of Public Policy.


### Annex A: List of Interviewees

<table>
<thead>
<tr>
<th>Name</th>
<th>Office</th>
<th>LGU</th>
<th>Date Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anton Rosal</td>
<td>Business Permits and Licensing</td>
<td>Makati City</td>
<td>May 2, 2012</td>
</tr>
<tr>
<td>Rex Abenoja</td>
<td>Human Resource Management</td>
<td>Makati City</td>
<td>May 2, 2012</td>
</tr>
<tr>
<td>Romeo Canlas</td>
<td>City Assessors</td>
<td>Marikina City</td>
<td>May 3, 2012</td>
</tr>
<tr>
<td>Victoria Sto. Domingo</td>
<td>Business Permits and Licensing</td>
<td>Manila</td>
<td>May 4, 2012</td>
</tr>
<tr>
<td>Ronald Hidalgo</td>
<td>Business Permits and Licensing</td>
<td>Pasig City</td>
<td>May 4, 2012</td>
</tr>
</tbody>
</table>
Annex B: Citizen’s Charter of LGUs Sampled

The Makati City Citizens Charter

Service Standards City of Manila

Mandaluyong City's Guidelines of Implementation of New Business Registration and Permitting System

Pasig City's Guidelines in Securing Mayor's Permit
Annex C: Field Work Photo Documentation

**Inside Marikina City Hall:** Signage of No Lunchbreak Policy and Anti-Fixer Campaign (left); Procedures for the Availing City Assessors Service (right)

**Manila City:** Posted Charter for Business Permits and Licensing (left); Feedback of citizens in the suggestion box (right)

**Mandaluyong City:** Posted Guidelines for the New Business Registration and Permitting System outside the City Hall
**Pasig City** Public Assistance and Complaints Desk at the Lobby of the City Hall (left); Process flow chart of getting a Business Permit in Pasig (right).