



Republic of the Philippines
House of Representatives
Quezon City



TWENTIETH CONGRESS

First Regular Session

House Bill No. 6145

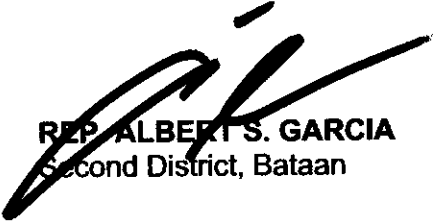
**Introduced by Representatives Albert S. Garcia, Maria Angela S. Garcia, and
Jernie Jett V. Nisay**

EXPLANATORY NOTE

The bill aims to institutionalize a modified version of the Human Development Index (HDI) as a performance measurement tool for local government units (LGUs) and national government agencies (NGAs) in the Philippine public sector. The proposal is designed as an amendment to the Seal of Good Local Governance (SGLG) Act of 2019. With the aim of promoting a stronger culture of meritocracy among public servants in the country, LGUs and NGAs who consistently perform well according to the indicators of the index will be recognized and given incentives while those who see sustained decreases in their indicators may face disincentives.

The index under the proposed bill includes the following dimensions: health, education, economic standards of living, peace & order, and consumer price affordability. The performance of LGUs and NGAs will be gauged based on how well they are able to achieve increases in the outcomes defined under these dimensions as measured by indicators that will be finalized by the implementing agencies.

We believe this bill can be a catalyst to raise the level of performance among our public officials. As such, support for this measure is earnestly sought from our colleagues.


REP. ALBERT S. GARCIA
Second District, Bataan


REP. MARIA ANGELA S. GARCIA
Third District, Bataan


REP. JERNIE JETT V. NISAY
Pusong-Pinoy Partylist



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Introduced by Representatives Albert S. Garcia, Maria Angela S. Garcia, and
Jernie Jett V. Nisay

AN ACT

**ESTABLISHING AND INSTITUTIONALIZING A PERFORMANCE MEASUREMENT
SYSTEM TO PROMOTE A CULTURE OF MERITOCRACY IN GOVERNMENT,
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 11292, OTHERWISE
KNOWN AS "THE SEAL OF GOOD LOCAL GOVERNANCE ACT OF 2019"**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress
assembled:*

SECTION 1. Short Title. This Act shall be known as the "**Public Governance
Meritocracy Act.**"

SEC. 2. Section 2 of Republic Act No. 11292, otherwise known as "The Seal of
Good Local Governance Act of 2019," is hereby amended to read as follows:

"SEC. 2. Declaration of Policy. - It is hereby declared the policy of
the State to recognize the good performance of local government units
(LGUs) **AND NATIONAL GOVERNMENT AGENCIES (NGAs)** in
transparency and accountability in the use of public funds, preparedness
for challenges posed by disasters, sensitivity to the needs of vulnerable and
marginalized sectors of society, implementation of health programs,
investment and employment promotion, protection of constituency from
threats to life and damage to property, and safeguarding the integrity of the
environment. In such recognition, the State hopes to encourage all LGUs
AND NGAs to take on greater challenges, encourage outcome-based
performance, and [to] reward **THEM [local governments]** for their effort
in pursuing [the] **POLICIES THAT PROMOTE** the general welfare of their
constituency **OR STAKEHOLDERS RELEVANT TO THEIR RESPECTIVE
MANDATES** and in enforcing existing laws.

1 THE STATE LIKEWISE STRICTLY ADHERES TO THE
2 PRINCIPLE OF ACCOUNTABILITY OF PUBLIC OFFICERS, AS
3 ENSHRINED IN SECTION 1, ARTICLE XI OF THE 1987 CONSTITUTION,
4 WHICH PROVIDES THAT "PUBLIC OFFICE IS A PUBLIC TRUST.
5 PUBLIC OFFICERS AND EMPLOYEES MUST, AT ALL TIMES, BE
6 ACCOUNTABLE TO THE PEOPLE, SERVE THEM WITH UTMOST
7 RESPONSIBILITY, INTEGRITY, LOYALTY, AND EFFICIENCY; ACT
8 WITH PATRIOTISM AND JUSTICE, AND LEAD MODEST LIVES."

9
10 TO THIS END, A UNIFIED, PRACTICAL, AND TIMELY
11 PERFORMANCE MEASUREMENT TOOL SHALL BE
12 INSTITUTIONALIZED TO GAUGE THE EFFECTIVENESS OF LGUs AND
13 NGAs IN ACHIEVING DEVELOPMENT OUTCOMES IN THE AREAS OF
14 HEALTH, EDUCATION, ECONOMIC STANDARDS OF LIVING, PEACE
15 AND ORDER, AND CONSUMER PRICE AFFORDABILITY. LGUS
16 UNDER THIS ACT SHALL INCLUDE PROVINCES, CITIES,
17 MUNICIPALITIES, AND BARANGAYS.

18
19 THESE OUTCOMES SHALL BE MEASURED IN CONTEXT OF
20 LOCAL CONDITIONS AND HISTORICAL PERFORMANCE OF NGAS
21 AND LGUS."

22
23
24 **SEC 3.** Section 3 of the same Act is hereby amended to read as follows:

25
26 "[SEC. 3. *The Seal of Good Local Governance.* - The Seal of Good Local
27 Governance (SGLG) is an award, incentive, honor and recognition-based
28 program for all LGUs and is a continuing commitment for LGUs to continually
29 progress and improve their performance in the following areas by:

- 30
31 (a) Upholding the practice of transparency and accountability in the use of public
32 funds;
33 (b) Preparing for challenges brought about by unpredictable natural calamities;
34 (c) Demonstrating the readiness to help and sensitivity to the needs of vulnerable
35 and marginalized sectors of society;
36 (d) Setting-up, implementing and sustaining health policies and programs that
37 would strengthen and promote the well-being, healthy lifestyle and safety of the
38 public, ensuring that all individuals especially the vulnerable have fair
39 opportunities for better health;
40 (e) Instituting education reforms and programs to improve the quality of
41 education in the country;
42 (f) Encouraging pro-competitive policies and government interventions that
43 promote market efficiency and consumer welfare:
44 (g) Protecting constituents from threats to life and damage to property:
45 (h) Safeguarding and preserving the integrity of the environment through
46 adaptive social responsibility; and(i) Conserving local culture and heritage and
47 fostering their value and significance for tourism opportunity}.

48
49 **SEC 3. - THE PUBLIC GOVERNANCE MERITOCRACY SEAL (PGMS)**
50 **- THE PGMS IS AN OUTCOME-BASED AWARD AND RECOGNITION**
51 **PROGRAM FOR LGUS AND NGAS. LGUS AND NGAS SHALL BE**

1 **ASSESSED USING EMPIRICALLY VERIFIABLE METRICS AS STIPULATED**
2 **UNDER SECTION 7 OF THIS ACT.”**
3

4 **SEC. 4.** Section 4 of the same Act is hereby amended to read as follows:
5

6 **“SEC. 4. The Council of Good PUBLIC [Local] Governance.** -There is
7 hereby established a Council of Good **PUBLIC [Local] Governance** (the
8 "Council"), which shall be composed of the following:
9

- 10 (a) Department of the Interior and Local Government (DILG);
11 (b) Department of Budget and Management (DBM);
12 (c) Department of Finance (DOF);
13 (d) Department of Health (DOH);
14 (e) Department of Social Welfare and Development (DSWD);
15 (f) Department of Education (DepEd);
16 (g) Department of Tourism (DOT) ;
17 (h) Department of Environment and Natural Resources (DENR) ;
18 (i) [National Economic and Development Authority (NEDA)]
19 **DEPARTMENT OF PLANNING, ECONOMY, AND**
20 **DEVELOPMENT (DEPDEV);**
21 (j) Office of Civil Defense; [and]
22 (k) [One (1) representative from the basic sectors to be nominated by
23 the National Anti-Poverty Commission (NAPC)] **COMMISSION**
24 **ON HIGHER EDUCATION (CHED);**
25 **(L) PHILIPPINE STATISTICS AUTHORITY (PSA) ;**
26 **(M) PHILIPPINE NATIONAL POLICE (PNP);**
27 **(N) DEPARTMENT OF INFORMATION AND COMMUNICATIONS**
28 **TECHNOLOGY (DICT);**
29 **(O) COMMISSION ON AUDIT (COA)**
30 **(P) CIVIL SERVICE COMMISSION (CSC)**
31 **(Q) NATIONAL PRIVACY COMMISSION (NPC)**
32 **(P) ANTI-RED TAPE AUTHORITY (ARTA)**
33 **(R) One (1) representative from the basic sectors to be nominated by**
34 **the National Anti-Poverty Commission (NAPC).**
35

36 The Secretary of the DILG shall act as Chairperson of the Council **AND**
37 **THE SECRETARY OF DEPDEV AS CO-CHAIRPERSON.** The
38 appropriate officeS of the DILG **AND THE DEPDEV**, as [the latter] **THEY**
39 may **JOINTLY** designate, shall serve as the Secretariat of the Council.
40

41 **THE PSA, IN ACCORDANCE WITH ITS MANDATE, SHALL PROVIDE**
42 **FULL ASSISTANCE TO THE COUNCIL AND AS MAY BE**
43 **DETERMINED OR INSTRUCTED BY EITHER OR BOTH**
44 **CHAIRPERSONS.**
45

1 FOR PURPOSES OF THE DETERMINATION OF THE GRANTING OF
2 THE PGMS, THERE SHALL BE FIVE (5) COMMITTEES TO BE
3 FORMED WITHIN THE COUNCIL TO CORRESPOND WITH EACH OF
4 THE DIMENSIONS OF HUMAN DEVELOPMENT MERITOCRACY
5 CRITERIA AS ENUMERATED UNDER SECTION 7 HEREOF, AS
6 FOLLOWS:
7

- 8 1. COMMITTEE ON HEALTH – TO BE CHAIRED BY THE
9 SECRETARY OF THE DOH AND SUPPORTED BY THE SOCIAL
10 DEVELOPMENT COMMITTEE OF THE REGIONAL
11 DEVELOPMENT COUNCILS AND LOCAL HEALTH BOARDS;
12
- 13 2. COMMITTEE ON EDUCATION – TO BE CHAIRED BY THE
14 SECRETARY OF THE DEPED, CO-CHAIRLED BY THE
15 CHAIRPERSON OF THE CHED, AND SUPPORTED BY THE
16 SOCIAL DEVELOPMENT COMMITTEE OF THE REGIONAL
17 DEVELOPMENT COUNCILS AND THE LOCAL SCHOOL
18 BOARDS;
19
- 20 3. COMMITTEE ON PEACE AND ORDER AND PUBLIC SAFETY –
21 TO BE CHAIRED BY THE SECRETARY OF THE DILG AND
22 SUPPORTED BY THE NATIONAL PEACE AND ORDER
23 COUNCIL AND THE PEACE AND ORDER COUNCILS AT THE
24 REGIONAL AND LOCAL LEVELS; AND
25
- 26 4. COMMITTEE ON ECONOMIC STANDARDS OF LIVING – TO BE
27 CHAIRED BY THE DEPDEV AND SUPPORTED BY THE
28 REGIONAL AND LOCAL DEVELOPMENT COUNCILS.
29
- 30 5. COMMITTEE ON CONSUMER PRICE AFFORDABILITY - TO BE
31 CHAIRED BY THE DEPDEV AND SUPPORTED BY THE
32 REGIONAL AND LOCAL DEVELOPMENT COUNCILS.
33

34 THE COUNCIL SHALL DESIGNATE EACH COUNCIL MEMBER TO BE
35 PART OF THE APPROPRIATE COMMITTEE TO COINCIDE WITH ITS
36 OFFICIAL MANDATE OR FUNCTION.”
37

38 **SEC. 5.** Section 5 of the same Act is hereby amended to read as follows:
39

40 “**SEC. 5. Powers and Functions of the Council.** -The Council shall
41 act as **A** policy-making and advisory body to ensure the proper
42 implementation of **THIS ACT [the SGLG]**. It shall perform the following
43 powers and functions:
44

1 (a) Develop and promulgate the performance indicators that shall serve as
2 standards for evaluating the LGU[s'] **AND NGAs'** compliance [and/or]
3 **AND** satisfaction [of] **WITH** each of the criteria prescribed under Section
4 7 of this Act. *Provided*, That the Council shall designate each Council
5 member to lead the development of performance indicators [his/her] in
6 **THE** area of jurisdiction or expertise and recommend the approval of
7 such performance indicators by the Council: *Provided, further*, That in
8 the development and approval of the performance indicators, the
9 Council shall take into consideration that LGUs may not be similarly
10 situated and that one (1) or more indicators may be peculiarly
11 inapplicable or extremely difficult to meet given the inherent limitations
12 or circumstances of the LGUs[;].
13

14 **[PROVIDED, FINALLY] IN ALL CASES, THE COUNCIL SHALL**
15 **CONSIDER THE INDIVIDUAL PERFORMANCE OF EACH NGA AND**
16 **EACH LEVEL OF LGU VIS-À-VIS THEIR RESPECTIVE HISTORICAL**
17 **PERFORMANCES BASED ON THE STANDARDS FOR**
18 **EVALUATING EACH DIMENSION UNDER THE HUMAN**
19 **DEVELOPMENT MERITOCRACY CRITERIA AS DEFINED UNDER**
20 **SECTION 7 OF THIS ACT;**
21

22 (b) Review [and/or] **OR** revise the performance indicators consistent with
23 the long-term development plans of the National Government. The
24 [development] **IDENTIFICATION** of indicators should reflect
25 **DEVELOPMENT** outcomes that are performance-based, encouraging
26 outputs that reflect concrete benefits to the community in terms of policy,
27 rules, regulations, behavior, skill competencies, knowledge, or attitude;
28

29 (c) Conduct an **IMPACT** evaluation [of the impact] of this Act on the
30 performance of the LGUs **AND NGAs** for purposes of determining the
31 need for enhancing or continuing **THIS ACT [the SGLG]**, rolling out the
32 SGLG in barangays **AND NATIONAL GOVERNMENT AGENCIES** and
33 recommending any amendatory legislation. For this purpose, the
34 Council shall institute an effective feedback mechanism where the
35 concerns of LGUs, **NGAs** and other stakeholders on the implementation
36 of the [SGLG] **PGMS** are appropriately considered;
37

38 (d) Create technical working groups, upon the recommendation of the
39 Council member concerned, composed of experts from government
40 agencies, representatives from the leagues of provinces, cities and
41 municipalities, **BARANGAYS**, and other sectors, to assist the Council
42 members in the performance of their respective functions as provided
43 for in paragraph (a) of this section;
44

1 (e) Submit to the President of the Philippines, the President of the Senate,
2 and the Speaker of the House of Representatives, on an annual basis,
3 copies of the performance indicators approved by the Council together
4 with the performance indicators developed and recommended by the
5 lead Council member, and the result of the impact assessment
6 conducted pursuant to paragraph (c) of this section; [and]
7

8 (f) **BE IN CHARGE OF DATA COLLECTION, INTEGRATION, AND**
9 **PROCESSING STANDARDS FOR THIS MEASURE AND SUPPORT**
10 **THE LGUS AND NGAS BY PROVIDING ANY DATA THEY NEED TO**
11 **REGULARLY UPDATE THEIR DIMENSIONS UNDER THE HUMAN**
12 **DEVELOPMENT MERITOCRACY CRITERIA; AND**

13
14 (g) Perform such other functions as are necessary or incidental to properly
15 carry out the purposes of this Act.”
16

17 **SEC. 6.** Section 6 of the same Act is hereby amended to read as follows:
18

19 “**SEC. 6. Implementing [Agency] AGENCIES.** -The DILG **AND THE**
20 **DEPDEV** shall be the **JOINT** implementing [agency] **AGENCIES** of this Act.
21 [It] **THEY** shall, through [its] **THEIR** relevant bureaus and offices, and in
22 consultation and coordination with **OTHER MEMBERS OF THE COUNCIL**,
23 partner agencies or sectors, **RESPECTIVE LEAGUES OF LGUs AND**
24 **LOCAL OFFICIALS, AND CONCERNED LGUs**, be responsible for the
25 assessment and evaluation of each LGU **AND NGA** relative to its
26 compliance with the criteria[,] and **SHALL** recommend to the Council
27 whether an LGU **OR NGA** qualifies to be conferred or awarded the **PGMS[.]**
28 **OR OTHER APPROPRIATE ACTION AS MAY BE ALLOWED IN THIS**
29 **ACT, SUCH AS:**
30

31 (a) **THE DILG AND DEPDEV MAY, INDIVIDUALLY OR JOINTLY, CALL**
32 **ON ANY CONCERNED AGENCY AND INSTRUMENTALITY, LGU**
33 **LEAGUE, CSO, SECTOR, OR OTHER BODIES, AS THEY MAY**
34 **DEEM NECESSARY, TO ASSIST IN CARRYING OUT THEIR**
35 **RESPONSIBILITIES UNDER THIS ACT.**
36

37 (b) **THE PSA SHALL SERVE AS THE PRIMARY DATA CUSTODIAN AT**
38 **THE NATIONAL LEVEL. IT SHALL BE IN CHARGE OF SETTING UP**
39 **A DIGITAL DATA REPOSITORY THAT SHALL BE ACCESSIBLE TO**
40 **THE PUBLIC IN COMPLIANCE WITH THE DATA PRIVACY ACT**
41 **WITH THE TECHNICAL ASSISTANCE OF THE DICT.**
42

43 (c) **THE DILG SHALL, RECOGNIZE WELL-PERFORMING LGUS AND**
44 **GRANT FINANCIAL INCENTIVES TO THE BEST-PERFORMING**

1 LGUS OR ENFORCE THE APPROPRIATE MEASURES, AS
2 PROVIDED IN THIS ACT: *PROVIDED*, THAT IT CONFORMS TO THE
3 PRINCIPLE OF SUBSIDIARITY AS GUARANTEED UNDER SEC. 4,
4 ARTICLE X OF THE 1987 CONSTITUTION.
5

6 (d) THE DEPDEV, IN COORDINATION WITH THE DBM AND CSC,
7 SHALL, RECOGNIZE WELL-PERFORMING NGAS AND GRANT
8 FINANCIAL INCENTIVES TO THE BEST-PERFORMING NGAS AS
9 PROVIDED IN THIS ACT
10

11 (e) THE PSA IN COORDINATION WITH THE DICT SHALL FINALIZE
12 THE DATA COLLECTION, INTEGRATION, AND PROCESSING
13 STANDARDS THE LGUS AND NGAS SHALL SHARE AND USE.
14

15 THE DILG AND THE DEPDEV SHALL, WITH THE ASSISTANCE OF THE PSA, BE
16 IN CHARGE OF PROVIDING CAPACITY-BUILDING AND TRAINING SESSIONS
17 FOR LGUS IN VIEW OF FULFILLING THE LATTER'S RESPONSIBILITIES UNDER
18 THIS ACT.
19

20 The DILG **AND THE DEPDEV** shall call on any other concerned agencies, civil
21 society organizations (CSOs), or **THE PRIVATE** sector[s], as it may deem
22 necessary, to assist in carrying out its responsibilities under this Act.”
23
24

25 **SEC. 7.** Section 7 of the same Act is hereby amended to read as follows:
26

27 “**SEC. 7. Criteria.**— For the purpose of this Act, **TWO CRITERIA**
28 **CATEGORIES SHALL BE APPLIED ON DIFFERENT ASPECTS OF**
29 **GOVERNANCE: (1) “LOCAL GOVERNANCE CRITERIA” WHICH**
30 **EMPHASIZES PROCESSES AND INPUTS FOR STRENGTHENING**
31 **LOCAL GOVERNANCE, AND (2) “HUMAN DEVELOPMENT**
32 **MERITOCRACY CRITERIA” WHICH FOCUSES ON GAUGING**
33 **DEVELOPMENT OUTCOMES THAT AN LGU OR NGA IS EXPECTED**
34 **TO ACHIEVE. The [areas] DIMENSIONS in [the] EACH criteria**
35 **CATEGORY shall be understood and interpreted as follows:**
36

37 **“(1) LOCAL GOVERNANCE CRITERIA**
38

39 (a) x x x
40

41 (b) x x x
42

43 (c) x x x
44

45 (d) x x x
46

47 (e) x x x
48

49 (f) x x x

1
2 (g) x x x

3
4 (h) x x x

5
6 (i) x x x

7
8 (j) x x x"
9

10
11
12 **“(2) HUMAN DEVELOPMENT MERITOCRACY CRITERIA**

13
14 **(A)HEALTH AND SOCIAL DIMENSION – THIS DIMENSION**
15 **MEASURES THE OVERALL QUALITY OF HEALTH WITHIN A**
16 **LOCALITY THROUGH THE LONGEVITY OF LIFE OF ITS**
17 **CONSTITUENTS. INDICATORS FOR MEASUREMENT UNDER**
18 **THIS DIMENSION MAY INCLUDE, BUT NOT LIMITED TO, THE**
19 **REDUCTION IN COMMUNICABLE DISEASES, THE REDUCTION**
20 **IN NON-COMMUNICABLE DISEASES, AND THE REDUCTION OF**
21 **MATERNAL AND CHILD DEATHS.**

22
23 **(B)EDUCATION – THIS DIMENSION MEASURES THE ACCESS OF A**
24 **LOCALITY’S CONSTITUENTS TO QUALITY EDUCATION.**
25 **INDICATORS FOR MEASUREMENT UNDER THIS DIMENSION**
26 **MAY INCLUDE, BUT NOT LIMITED TO, THE INCREASE IN THE**
27 **NUMERACY RATE, INCREASE IN THE LITERACY RATE, AND**
28 **INCREASE IN COMPLETION RATE.**

29
30 **(C)ECONOMIC STANDARDS OF LIVING – THIS DIMENSION**
31 **MEASURES THE LEVEL OF INCOME OF CONSTITUENTS AND**
32 **ECONOMIC OPPORTUNITIES WITHIN A LOCALITY. INDICATORS**
33 **FOR MEASUREMENT UNDER THIS DIMENSION MAY INCLUDE,**
34 **BUT NOT LIMITED TO, TOTAL HOUSEHOLD ELECTRICITY**
35 **CONSUMPTION, AND PERCENTAGE OF POPULATION**
36 **EMPLOYED**

37
38 **(D)PEACE AND ORDER AND PUBLIC SAFETY – THIS DIMENSION**
39 **MEASURES THE PREVALENCE OF CRIMES WITHIN A**
40 **LOCALITY. INDICATORS FOR MEASUREMENT UNDER THIS**
41 **DIMENSION MAY INCLUDE, BUT NOT LIMITED TO REDUCTION**
42 **IN THE CRIME INDEX, AND REDUCTION OF ACCIDENTS.**

43
44 **(E)CONSUMER PRICE AFFORDABILITY - THIS DIMENSION**
45 **MEASURES THE AFFORDABILITY OF BASIC GOODS AND**
46 **SERVICES WITHIN A LOCALITY. INDICATORS FOR**

1 MEASUREMENT UNDER THIS DIMENSION SHALL INCLUDE,
2 BUT NOT LIMITED TO THE INFLATION RATE, THE CONSUMER
3 PRICE INDEX, AND THE PRICES OF BASIC COMMODITIES.
4

5
6 EACH DIMENSION UNDER THE HUMAN DEVELOPMENT
7 MERITOCRACY CRITERIA SHALL BE MEASURED USING
8 INDICATORS CITED ABOVE AND OTHER INDICATORS TO BE
9 FORMULATED AND DETERMINED BY THE CONCERNED
10 COMMITTEE AND APPROVED BY THE COUNCIL BASED ON
11 ACCEPTABLE NATIONAL OR INTERNATIONAL STANDARDS. IN
12 DETERMINING SUCH, THE COUNCIL SHALL PRIORITIZE
13 INDICATORS THAT CAN BE GENERATED FROM NATIONAL AND
14 LOCAL GOVERNMENT SOURCES WITHOUT THE NEED FOR
15 PRIMARY DATA GATHERING METHODOLOGIES SUCH AS
16 STATISTICAL SURVEYS, CENSUS, AND REGISTERS.
17

18 THE SET OF INDICATORS FOR EACH DIMENSION SHALL BE USED
19 TO COMPUTE THE QUALIFICATIONS OF EACH LGU AND NGA AND
20 ASSESS BASED ON THEIR RESPECTIVE HISTORICAL GROWTH OR
21 PERFORMANCE SO THAT EACH LEVEL OF LGU AND NGA
22 COMPETES AGAINST ITSELF AND NOT AS AGAINST OTHER LGUS
23 OR NGAS.
24

25 FOR NGAS, THE MEASUREMENT AND TRACKING OF THEIR
26 INDICATORS AND ASSESSMENT SHALL BE BASED SOLELY ON
27 THE DIMENSIONS AND METRICS THAT CORRESPOND TO THEIR
28 RESPECTIVE MANDATES AND AREAS OF RESPONSIBILITY. EACH
29 AGENCY SHALL BE GAUGED ONLY WITHIN THE DIMENSION
30 ALIGNED WITH ITS CORE FUNCTION IN ACCORDANCE WITH THE
31 OBJECTIVES OF THIS ACT AS DETERMINED BY THE COUNCIL.
32

33 THE COUNCIL SHALL CONTINUOUSLY EXPLORE ALTERNATIVE
34 STATISTICAL INDICATORS FOR THE HUMAN DEVELOPMENT
35 MERITOCRACY CRITERIA AS MAY BE NECESSARY AND
36 APPROPRIATE FOR PURPOSES OF FASTER DATA COLLECTION
37 AND PROCESSING. THESE INDICATORS SHALL BE UPDATED
38 ANNUALLY BY THE CONCERNED AGENCY AND SHARED WITH
39 THE CONCERNED LGUS AND NGAS TO ENSURE THAT THE DATA
40 EFFECTIVELY REFLECT THE KEY DIMENSIONS OF THE HUMAN
41 DEVELOPMENT MERITOCRACY CRITERIA AS STIPULATED
42 UNDER THIS ACT AND ARE MORE READILY TRANSPARENT AND
43 ACCESSIBLE FOR EFFICIENT COLLECTION AND PROCESSING OF
44 THE LGUS AND IMPLEMENTING AGENCIES.
45

1 The foregoing criteria may be expanded by the Council to align with the thrusts
2 of the National Government and attune them [with] TO the changing times.”

3
4 **SEC. 8.** Two new sections denominated as Section 7-A and Section 7-B,
5 respectively, are inserted after Section 7 of the same Act to read as follows:

6
7 **“SEC. 7-A. DATA COLLECTION. – LGUS AND NGAS SHALL**
8 **COLLECT THE NECESSARY DATA NEEDED FOR THE**
9 **IMPLEMENTATION OF THIS ACT. IN DOING SO, LGUS AND NGAS**
10 **SHALL ENGAGE IN OPEN DATA SHARING AND OTHER NECESSARY**
11 **COLLABORATIVE ARRANGEMENTS SUBJECT TO DATA PRIVACY**
12 **LAWS AND REGULATIONS WHENEVER APPLICABLE.**

13
14 **FOR PURPOSES OF THIS ACT, LGUS MAY OPT TO HIRE THE**
15 **NECESSARY PERSONNEL, SUCH AS STATISTICIANS AND OTHERS,**
16 **THE NUMBER AND POSITIONS OF WHICH SHALL BE DETERMINED**
17 **BY THE COUNCIL THROUGH THE REVISED IMPLEMENTING RULES**
18 **AND REGULATIONS TO BE ISSUED THEREFOR.**

19
20 **FURTHER THE PSA SHALL CREATE ADDITIONAL POSITIONS FOR**
21 **STATISTICIANS AT THE PROVINCIAL LEVEL TO MONITOR AND**
22 **MANAGE ENUMERATION ACTIVITIES OF LGUS AND NGAS UNDER**
23 **THEIR JURISDICTION.**

24
25 **LGUs, NGAs, AND THE PSA MAY UTILIZE ARTIFICIAL INTELLIGENCE**
26 **AND OTHER TECHNOLOGIES IN THE PERFORMANCE OF THEIR**
27 **FUNCTIONS UNDER THIS ACT.**

28
29 **CONSISTENT WITH SECTION 7 OF THIS ACT, DATA THAT MAY BE**
30 **ACCESSED WITHOUT THE NEED FOR PRIMARY DATA-GATHERING**
31 **METHODOLOGIES AS DESCRIBED ABOVE SHALL BE PRIORITIZED.**

32
33 **“SEC. 7-B. PERIODICITY OF DATA COLLECTION. – FOR THE HUMAN**
34 **DEVELOPMENT MERITOCRACY CRITERIA UNDER SECTION 7 OF**
35 **THIS ACT, REGULAR AND SYNCHRONIZED DATA COLLECTION**
36 **SHALL BE CONDUCTED BY LGUS AND NGAS QUARTERLY BASED**
37 **ON THE LATEST AVAILABILITY OF IDENTIFIED INDICATORS OR ON**
38 **SHORTER INTERVALS, WHENEVER FEASIBLE. IN THE CONDUCT OF**
39 **DATA COLLECTION, APPROPRIATE NGAS SHALL GIVE TECHNICAL**
40 **ASSISTANCE.**

41
42 **SEC. 9.** Section 8 of the same Act is hereby amended to read as follows:

43
44 **“SEC. 8. Requisites to Qualify for [SGLG] PGMS. - An LGU, which,**
45 **according to the assessment of the DILG, complies, qualifies, and passes**

1 all assessment criteria as provided in Section 7 of this Act, **AND**
2 **APPROVED BY THE COUNCIL**, shall be conferred and awarded the
3 [SGLG] **PGMS** and granted the corresponding **RECOGNITION, AWARDS**
4 **AND MONETARY** incentiveS as provided under Section 11 of this Act. **IN**
5 **ASSESSING AN LGU'S QUALIFICATION FOR THE [SGLG] PGMS,**
6 **GREATER CONSIDERATION SHALL BE GIVEN TO THE LOCAL**
7 **GOVERNMENT'S COMPLIANCE WITH THE HUMAN DEVELOPMENT**
8 **MERITOCRACY CRITERIA AS ENUMERATED UNDER SECTION 7 OF**
9 **THIS ACT. SEVENTY PERCENT (70%) OF ANY NUMERICAL**
10 **ASSESSMENT WEIGHT SHALL BE ASSIGNED TO THE HUMAN**
11 **DEVELOPMENT MERITOCRACY CRITERIA WHILE THIRTY PERCENT**
12 **(30%) SHALL BE FOR THE GOVERNANCE CRITERIA.**

13
14 **FOR NGAs, ASSESSMENT SHALL BE BASED SOLELY ON THE**
15 **HUMAN DEVELOPMENT MERITOCRACY CRITERIA THAT PERTAIN**
16 **TO THEIR RESPECTIVE MANDATES AND FUNCTIONS AS**
17 **DETERMINED BY THE COUNCIL."**

18
19 **SEC. 10.** A new section to be denominated as Section 8-A is hereby
20 inserted after Section 8 of the same Act to read as follows:

21
22 **"SEC 8-A. PERFORMANCE-BASED BONUS - THE STRATEGIC**
23 **GOALS AND PERFORMANCE TARGETS OF ALL NATIONAL**
24 **GOVERNMENT AGENCIES (NGAs) AND LOCAL GOVERNMENT**
25 **UNITS (LGUS) SHALL BE ALIGNED WITH THE DIMENSIONS OF THE**
26 **HUMAN DEVELOPMENT MERITOCRACY CRITERIA. EACH**
27 **DEPARTMENT, OFFICE, OR DIVISION WITHIN AN NGA OR LGU**
28 **SHALL, IN TURN, BE ASSESSED BASED ON ITS IDENTIFIED**
29 **CONTRIBUTIONS TO THESE DIMENSIONS, WHICH SHALL SERVE AS**
30 **THE BASIS FOR DETERMINING ELIGIBILITY AND RATES UNDER THE**
31 **PERFORMANCE-BASED BONUS AND ASSESSMENT SYSTEM,**
32 **CONSISTENT WITH THE STRATEGIC PERFORMANCE**
33 **MANAGEMENT SYSTEM (SPMS) OF THE CIVIL SERVICE**
34 **COMMISSION (CSC).**

35
36 **A PERFORMANCE-BASED BONUS SYSTEM FOR BARANGAY**
37 **OFFICIALS AND WORKERS SHALL ALSO BE DEVELOPED AND**
38 **IMPLEMENTED BY THE DILG, DBM, AND CSC IN LINE WITH THE**
39 **OBJECTIVES OF THIS ACT."**

40
41
42 **SEC. 10.** Section 11 of the same Act is hereby amended to read as follows:

43
44 **"SEC. 11. [*The SGLG Incentive Fund.* -There is hereby created a**
45 **special account under the General Appropriations Act (GAA) called the**

1 "SGLG Fund". The Fund shall be utilized only to pay out the incentives
2 granted to LGUs which qualify for the SGLG.]
3

4 **THERE IS HEREBY CREATED A SPECIAL ACCOUNT UNDER THE**
5 **GENERAL APPROPRIATIONS ACT (GAA) CALLED THE PUBLIC**
6 **GOVERNANCE MERITOCRACY FUND (PGMF) WHICH SHALL**
7 **HEREBY BE REFERRED TO AS "THE FUND." THE FUND SHALL BE**
8 **UTILIZED TO PAY OUT THE INCENTIVES GRANTED TO LGUS AND**
9 **NGAS WHICH QUALIFY FOR THE AWARD.**
10

11 The Council established under Section 4 of this Act shall have the authority
12 to determine the monetary incentives for **LGUs AND NGAS** based on the
13 number of awardees. It shall also have the authority to re[-]evaluate and
14 increase the amount of [SGLG] incentive**S** to be awarded to LGUs **AND**
15 **NGAS: Provided, That, the increase shall be subject to the sufficiency of**
16 **the Fund at the time the increment is implemented.**
17

18 **LGU AND NGA RECOGNITION FOR THE AWARD SHALL BE**
19 **CONDUCTED QUARTERLY. MONETARY INCENTIVES FOR LGUS**
20 **UNDER THIS ACT MAY ALSO BE SOURCED FROM OTHER FUND**
21 **ASSISTANCE SOURCES TO LGUS UNDER THE DILG OR OTHER**
22 **AGENCIES. MONETARY INCENTIVES FOR NGAS UNDER THIS ACT**
23 **MAY BE SOURCED FROM APPLICABLE FUND SOURCES.**
24

25 **LGUS AND NGAS EXPERIENCING PERSISTENT AND UNJUSTIFIABLE**
26 **DECLINE IN THE INDICATORS IDENTIFIED UNDER THE HUMAN**
27 **DEVELOPMENT MERITOCRACY CRITERIA UNDER SECTION 7 OF**
28 **THIS ACT MAY BE DISINCENTIVIZED IN THE FORM OF LOWER OR**
29 **ZERO INCENTIVE: PROVIDED, HOWEVER, THAT THESE DECLINES**
30 **ARE NOT DUE TO EXTERNAL SHOCKS, SUCH AS NATURAL**
31 **CALAMITIES, PANDEMICS, OR UNFORESEEABLE EVENTS BEYOND**
32 **THE CONTROL OF THE LGUS AND NGAS: PROVIDED, FINALLY, THAT**
33 **THE SPECIFIC BENCHMARKS OR STANDARDS ABOUT THE**
34 **QUALIFYING PERCENTAGE DECREASE AND THE SUPPLEMENTARY**
35 **CRITERIA WILL BE DETERMINED BY THE COUNCIL."**
36

37 **SEC. 11.** Section 14 of the same Act is hereby amended to read as follows:
38

39 **"SEC. 14. Management and Administration of the PUBLIC**
40 **GOVERNANCE MERITOCRACY FUND [SGLG Fund]. – The PUBLIC**
41 **GOVERNANCE MERITOCRACY FUND [SGLG Fund] established**
42 **under Section 11 of this Act shall be managed and administered by the**
43 **DILG with the supervision of the Council. Appropriation to replenish the**
44 **amount paid out from the Fund during the year [and/or]OR to augment**

1 the Fund shall be proposed by **THE COUNCIL** and **ANNUALLY** included
2 in the budget of the DILG under the GAA.”
3
4

5 **SEC. 12.** Section 15 of the same Act is hereby amended to read as follows:
6

7 “**SEC. 15. *Guarantee of Local Government Autonomy.*** – The **LOCAL**
8 **AND FISCAL** autonomy of LGUs, **AS GUARANTEED UNDER THE 1987**
9 **CONSTITUTION**, shall be respected at all times. Nothing in this Act shall
10 be interpreted as limiting the autonomy of LGUs to establish policies and
11 pursue programs and projects designed not only to qualify for the SGLG
12 award but also to ensure the enjoyment of their constituency the right to life,
13 liberty, property, health, education, balanced and healthful ecology, among
14 others, in the exercise of their **POLICE** power under the general welfare
15 clause. **THE CONSTITUTIONAL MANDATE ON SUBSIDIARITY**
16 **PURSUANT TO THE PRESIDENT’S SUPERVISION POWER OVER**
17 **LGUS SHALL BE RESPECTED AT ALL TIMES.”**
18

19 **SEC. 13.** Section 16 of the same Act is hereby amended to read as follows:
20

21 “**SEC. 16. *PGMS OPERATING FUND*** [*SGLG Operating Fund.* - The
22 activities and operational expenses, other than the incentive payouts,
23 related to the implementation of this Act shall be initially funded from the
24 DILG’s Performance Challenge Fund. Thereafter, the DILG **AND THE**
25 **DEPDEV** shall include in **THEIR RESPECTIVE** annual budgetS to be
26 incorporated in the GAA[,] [the] itemS for the **PGMS** [SGLG] operating fund
27 in the amount equivalent to [two percent (2%)] **NOT LESS THAN FIVE**
28 **PERCENT (5%)** of the [SGLG Fund] PGMF. **THIS FUND SHALL BE**
29 **APPROPRIATED IN ADDITION TO THE PGMF UTILIZED FOR**
30 **MONETARY INCENTIVES UNDER THIS ACT. ”**
31

32 **SEC. 14. *Data Privacy.*** This data collection system shall respect the
33 fundamental human right of privacy, ensure data quality, and uphold data protection
34 principles of legitimate purpose, transparency, and proportionality.
35

36 **SEC. 15. *Implementing Rules and Regulations.*** Within ninety (90) days from
37 the effectivity of this Act, the members of the Council led by the DILG and the **DEPDEV**,
38 together with the Union of Local Authorities of the Philippines and the Leagues of LGUs
39 and local officials, shall promulgate the rules and regulations necessary for the effective
40 implementation of this Act.
41

42 **SEC. 16. *Separability Clause.*** If any provision or part of this Act is held
43 unconstitutional or invalid, the remaining parts or provisions not affected shall remain in
44 full force and effect.
45

1 **SEC. 17. *Repealing Clause.*** All laws, presidential decrees, executive orders,
2 letters of instructions, administrative orders, rules and regulations contrary to or
3 inconsistent with the provisions of this Act are hereby repealed, amended, or modified
4 accordingly.

5
6 **SEC. 18. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
7 publication in the *Official Gazette* or in a newspaper of general circulation.

8
9 Approved,
10