

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



'16 JAN 26 P3 :09

SENATE
S. No. 3146

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

AN ACT
PROVIDING FOR THE ESTABLISHMENT, TESTING, AND EVALUATION OF
STRATEGIC PLANNING AND PERFORMANCE MEASUREMENT IN THE
GOVERNMENT

EXPLANATORY NOTE

The Constitution, Article 11, Section 27 provides:

The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.

Waste and inefficiency in various governmental programs undermine the confidence of the people in the government and reduces the government's ability to address adequately vital public needs.

Public officials are seriously disadvantaged in their efforts to improve program efficiency and effectiveness because of insufficient articulation of program goals and inadequate information on program performance, while congressional policymaking, spending decisions and program oversight are seriously handicapped by insufficient attention to program performance and results.

In order to improve governmental program effectiveness and restore the confidence of the people in the capability of the government, this bill seeks to systematically hold government agencies accountable for achieving program results, by

providing for the establishment, testing and evaluation of strategic planning and performance measurement in the government.¹

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
RP


¹ This bill was originally filed during the Thirteenth Congress, First Regular Session and refiled in the Fifteenth Congress, First Regular Session.

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

1 SECTION 1. *Short Title.* – This Act shall be known as the “Government
2 Performance and Results Act.”

3 SECTION 2. *Purposes.* – It is the purpose of this Act to –

4 (A) Improve the confidence of the people in the capability of the government, by
5 systematically holding agencies accountable for achieving program results;

6 (B) Initiate program performance reform with a series of pilot projects in setting
7 program goals, measuring program performance against those goals, and reporting
8 publicly on their progress;

9 (C) Improve program effectiveness and public accountability by promoting a new
10 focus on results, service quality, and customer satisfaction;

11 (D) Help managers improve service delivery, by requiring that they plan for
12 meeting program objectives and by providing them with information about program
13 results and service quality; and

14 (E) Improve congressional decision-making by providing more objective
15 information on achieving statutory objectives, and on the relative effectiveness and
16 efficiency of programs and spending.

1 **SECTION 3. *Definition of Terms.*** – For purposes of this Act, the term:

2 (A) “Outcome measure” refers to an assessment of the results of a program
3 activity compared to its intended purpose;

4 (B) “Output measure” refers to the tabulation, calculation, or recording of activity
5 or effort and can be expressed in a quantitative or qualitative manner;

6 (C) “Performance goal” means a target level of performance expressed as a
7 tangible, measurable objective, against which actual achievement shall be compared,
8 including a goal expressed as a quantitative standard, value, or rate;

9 (D) “Performance indicator” refers to a particular value or characteristic used to
10 measure output or outcome;

11 (E) “Program activity” means a specific activity or project as listed in the program
12 and financing schedules of the annual budget of the government; and

13 (F) “Program evaluation” means an assessment, through objective measurement
14 and systematic analysis, of the manner and extent to which governmental programs
15 achieve intended objectives.

16 **SECTION 4. *Strategic Planning.*** –

17 (A) The head of each agency shall submit to the Department of Budget and
18 Management a strategic plan for program activities. Such plan shall contain –

19 (1) A comprehensive mission statement covering the major functions and
20 operations of agency;

21 (2) General goals and objectives, including outcome-related goals and
22 objectives, for the major functions and operations of the agency;

23 (3) A description of how the goals and objectives are to be achieved;

24 (4) A description of how the performance goals shall be related to the
25 general goals and objectives in the strategic plan;

1 (5) An identification of those key factors external to the agency and beyond
2 its control that could significantly affect the achievement of the general goals and
3 objectives; and

4 (6) A description of the program evaluations used in establishing or
5 revising general goals and objectives, with a schedule for future program
6 evaluations.

7 (B) The strategic plan shall cover a period of not less than five years from the
8 fiscal year in which it is submitted, and shall be updated and revised at least every three
9 years.

10 (C) When developing a strategic plan, the agency shall consult with the Congress,
11 and shall solicit and consider the views and suggestions of those entities potentially
12 affected by or interested in such a plan.

13 (D) For purposes of this section the term 'agency' means an Executive agency.

14 SECTION 5. *Annual Performance Plans and Reports.* –

15 (A) The Department of Budget and Management shall require each agency to
16 prepare an annual performance plan covering each program activity set forth in the
17 budget of such agency. Such plan shall –

18 (1) Establish performance goals to define the level of performance to be
19 achieved by a program activity;

20 (2) Express such goals in an objective, quantifiable, and measurable form
21 unless permitted an alternative form under paragraph (B);

22 (3) Establish performance indicators to be used in measuring or assessing
23 the relevant outputs, service levels, and outcomes of each program activity;

24 (4) Provide a basis for comparing actual program results with the
25 established performance goals; and

26 (5) Describe the means to be used to verify and validate measured values.

1 (B) If an agency, in consultation with the Department, determines that it is not
2 feasible to express the performance goals for a particular program activity in an objective
3 and quantifiable form, the Department may authorize an alternative form. Such
4 alternative form shall –

5 (1) Include separate descriptive statements of –

6 (a) A minimally effective program, and

7 (b) A successful program, with sufficient precision and in such terms
8 that would allow for an accurate, independent determination of whether the
9 program activity performance meets the criteria of either description; or

10 (2) State why it is infeasible or impractical to express a performance goal in
11 any form for the program activity.

12 (C) In preparing a comprehensive and informative plan under this section, an
13 agency may aggregate, disaggregate, or consolidate program activities, provided that any
14 aggregation or consolidation does not omit or minimize the significance of any program
15 activity constituting a major function or operation for the agency.

16 (D) An agency may prepare a classified or non-public annex to its plan covering
17 program activities or parts of program activities relating to –

18 (1) National security;

19 (2) The conduct of foreign affairs; or

20 (3) The avoidance of interference with criminal prosecution or revenue
21 collection.

22 **SECTION 6. *Program Performance Reports.* –**

23 (A) No later than 31 March of the year following the effectivity of this Act, and no
24 later than March 31 of each year thereafter, the head of each agency shall prepare and
25 submit to the President and the Congress, a report on program performance for the
26 previous fiscal year.

1 (B) Each program performance report shall set forth the performance indicators
2 established in the departmental or agency performance plan, along with the actual
3 program performance achieved compared with the performance goals expressed in the
4 plan for that fiscal year.

5 (C) Each report shall –

6 (1) Review the success of achieving the performance goals of the fiscal
7 year;

8 (2) Evaluate the performance plan for the current fiscal year relative to the
9 performance achieved towards the performance goals in the fiscal year covered by
10 the report;

11 (3) Explain and describe, where a performance goal has not been met,
12 including when a program activity's performance is determined not to have met
13 the criteria of a successful program activity –

14 (a) Why the goal was not met;

15 (b) Those plans and schedules for achieving the established
16 performance goal; and

17 (c) If the performance goal is impractical or infeasible, why that is
18 the case and what action is recommended;

19 (4) Describe the use and assess the effectiveness in achieving performance
20 goals of any waiver under this title; and

21 (5) Include the summary findings of those program evaluations completed
22 during the fiscal year covered by the report.

23 (E) The agency head may include all program performance information required
24 annually under this section in annual financial statement if any such statement is
25 submitted to the Congress no later than March 31 of the applicable fiscal year.

1 **SECTION 7. *Managerial Accountability and Flexibility.* –**

2 **(A)** Beginning with the fiscal year following the passage of this Act, the
3 performance plans required under Section 5 may include proposals to waive
4 administrative procedural requirements and controls. In preparing and submitting the
5 performance plan, the Department of Budget and Management shall review and may
6 approve any proposed waivers. A waiver shall take effect at the beginning of the fiscal
7 year for which the waiver is approved.

8 **(B)** Any such proposal under paragraph (A) shall describe the anticipated effects
9 on performance resulting from greater managerial or organizational flexibility, discretion,
10 and authority, and shall quantify the expected improvements in performance resulting
11 from any waiver. The expected improvements shall be compared to current actual
12 performance, and to the projected level of performance that would be achieved
13 independent of any waiver.

14 **(C)** Any proposal waiving limitations on compensation or remuneration shall
15 precisely express the monetary change in compensation or remuneration amounts, such as
16 bonuses or awards, that shall result from meeting, exceeding, or failing to meet
17 performance goals.

18 **(D)** A waiver shall be in effect for one or two years. A waiver may be renewed for
19 a subsequent year. After a year has been in effect for three consecutive years, the
20 performance plan prepared under Section 5 may propose that a waiver, other than a
21 waiver of limitations on compensation or remuneration, be made permanent.

22 **SECTION 8. *Pilot Projects.* –**

23 **(A)** The secretary of Department of Budget and Management, after consultation
24 with the head of each agency, shall designate not less than ten agencies as pilot projects
25 in performance measurement for the first three fiscal years after the promulgation of this

1 Act. The selected agencies shall reflect a representative range of government functions
2 and capabilities in measuring and reporting program performance.

3 (B) Pilot projects in the designated agencies shall undertake the preparation of
4 performance plans under Section 5, and program performance reports under Section 6,
5 other than Section 6(C), for one or more of the major actions and operations of the
6 agency. A strategic plan shall be used when preparing agency performance plans during
7 one or more years of the pilot period.

8 (C) The secretary shall submit a report to the President and to the Congress which
9 shall –

10 (1) Assess the benefits, costs, and usefulness of the plans and reports
11 prepared by the pilot agencies in meeting the purposes of this Act;

12 (2) Identify any significant difficulties experienced by the pilot agencies in
13 preparing plans and reports; and

14 (3) Set forth any recommended changes in the requirements of the
15 provisions of this Act.

16 SECTION 7. *Separability Clause.* – If any provision or part hereof, is held invalid
17 or unconstitutional, the remainder of the law or the provision not otherwise affected shall
18 remain valid and subsisting.

19 SECTION 8. *Repealing Clause.* – Any law, presidential decree or issuance,
20 executive order, letter of instruction, administrative order, rule or regulation contrary to
21 or is inconsistent with the provision of this Act is hereby repealed, modified, or amended
22 accordingly.

1 SECTION 9. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days
2 following its publication in the *Official Gazette* or in two (2) newspapers of general
3 circulation.

Approved,

/ctrs26Nov2015