



**PERFORMANCE
CHALLENGE FUND
3RD QUARTER
PROGRESS
REPORT FOR
CY 2015**





REPUBLIC OF THE PHILIPPINES
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BUREAU OF LOCAL GOVERNMENT DEVELOPMENT

Performance Challenge Fund (PCF)

3rd Quarter Progress Report for CY 2015

Summary:

The Department of the Interior and Local Government (DILG) has been implementing the Performance Challenge Fund (PCF) since 2010. Essentially, PCF aims to recognize good governance performance among LGUs and foster the alignment of the local development initiatives with the national goals and priorities. It further encourages LGUs to put a premium on performance in order for them to avail of the financial subsidy they could use to jumpstart and sustain projects that geared towards the achievement of the Millennium Development Goals, Maintain Core Road Network to boost tourism and local economic development, comply with the Ecological Solid Waste Management Act of 2000, comply with the Philippine Disaster Risk Reduction Management Act of 2010 and promote transparency and accountability in all government transactions.

For more than 5 years of implementation, starting from its pilot stage during 2010 up to the current Calendar Year of 2015, the Bureau of Local Government Development (BLGD) thru its Project Management Team has been implementing and monitoring more than two thousand PCF-funded projects nationwide. A total of two thousand ninety-two (2092) approved PCF projects were registered in the PCF Portal (pcf.dilg.gov.ph) as of 30 September 2015. Out of the two thousand ninety-two (2092) PCF projects, there are one thousand eight hundred twenty-seven (1827) completed projects, one hundred thirty-five (135) projects that are still on-going and one hundred thirty (130) projects which are still pending and complying on the documentary requirements of PCF. (See Table 5)

For the category of the projects as to Millennium Development Goal (MDG), Local Economic Development (LED), Ecological Solid Waste Management (ESWM) and Disaster Risk Reduction Management (DRRM), there are six hundred ninety-seven (697) MDG projects, one thousand sixty-four (1064) LED projects, two hundred thirty (230) ESWM projects and one hundred one (101) DRRM projects. (See Table 6 and Figure 2)

Moreover, the 2015 Performance Challenge Fund (PCF) amounting to **ONE BILLION PESOS (P1,000,000,000.00)** shall cover the 2015 Seal of Good Local Governance (SGLG) recipient LGUs (41 provinces, 28 cities and 185 municipalities) in the amount of P7Million per Province, P5Million per City and 3 Million per Municipality chargeable against the RA 10651 FY 2015 GAA. (See Table 1)

Table 1

Region	No. Provinces	Amount at P7M for Province	No. of Cities	Amount at P3M per Cities	No. of Mun.	Amount at P1M per cities	TOTAL LGU	TOTAL PCF COST
I	2	14,000,000.00	6	30,000,000.00	32	96,000,000.00	40	140,000,000.00
II	2	14,000,000.00	1	5,000,000.00	11	33,000,000.00	14	52,000,000.00
III	4	28,000,000.00	2	10,000,000.00	27	81,000,000.00	33	119,000,000.00
IV-A	1	7,000,000.00	5	25,000,000.00	20	60,000,000.00	26	92,000,000.00
IV-B	5	35,000,000.00	0	-	4	12,000,000.00	9	47,000,000.00
CAR	3	21,000,000.00	1	5,000,000.00	4	12,000,000.00	8	38,000,000.00
V	2	14,000,000.00	1	5,000,000.00	14	42,000,000.00	17	61,000,000.00
VI	3	21,000,000.00	4	20,000,000.00	17	51,000,000.00	24	92,000,000.00
VII	4	28,000,000.00	2	10,000,000.00	23	69,000,000.00	29	107,000,000.00
VIII	2	14,000,000.00	0	-	5	15,000,000.00	7	29,000,000.00
IX	1	7,000,000.00	0	-	3	9,000,000.00	4	16,000,000.00
X	3	14,000,000.00	2	10,000,000.00	14	42,000,000.00	19	73,000,000.00
XI	4	28,000,000.00	1	5,000,000.00	3	9,000,000.00	8	42,000,000.00
XII	1	7,000,000.00	0	-	7	21,000,000.00	8	28,000,000.00
XIII	4	28,000,000.00	0	-	1	3,000,000.00	5	31,000,000.00
NCR	0	-	3	10,000,000.00	0	-	3	15,000,000.00
TOTAL	41	280,000,000.00	28	135,000,000.00	185	555,000,000.00	254	982,000,000.00

Furthermore, the 2014 Performance Challenge Fund amounting to **FOUR HUNDRED SEVENTY MILLION (P470,000,000.00) PESOS** is on the process of releasing to the 248 1st class LGUs (28 provinces, 27 cities and 193 municipalities) who are consistent GFH passers for two consecutive assessment years (2012 SGH and 2014 SGLG-GFH). The request sub-allotment was charged against Special Allotment Release Order (SARO-BMB-D-15-0003826) dated March 30, 2015 for the Performance Based Challenge Fund for Local Government Units per FY 2014 GAA, RA 10633 (See Table 2).

Table 2

Region	No. Provinces	Amount at P7M for Province	No. of Cities	Amount at P3M per Cities	No. of Mun.	Amount at P1M per cities	TOTAL LGU	TOTAL PCF COST
I	4	28,000,000.00	0	-	26	26,000,000.00	30	54,000,000.00
II	1	7,000,000.00	1	3,000,000.00	17	17,000,000.00	19	27,000,000.00
III	2	14,000,000.00	3	9,000,000.00	12	12,000,000.00	17	35,000,000.00
IV-A	4	28,000,000.00	9	27,000,000.00	36	36,000,000.00	49	91,000,000.00
IV-B	2	14,000,000.00	1	3,000,000.00	11	11,000,000.00	14	28,000,000.00
CAR	0	-	1	3,000,000.00	6	6,000,000.00	7	9,000,000.00
V	1	7,000,000.00	0	-	7	7,000,000.00	8	14,000,000.00
VI	3	21,000,000.00	3	9,000,000.00	10	10,000,000.00	16	40,000,000.00
VII	3	21,000,000.00	1	3,000,000.00	6	6,000,000.00	10	30,000,000.00
VIII	0	-	0	-	0	-	0	-
IX	1	7,000,000.00	1	3,000,000.00	2	2,000,000.00	4	12,000,000.00
X	0	-	0	-	11	11,000,000.00	11	11,000,000.00
XI	3	21,000,000.00	1	3,000,000.00	12	12,000,000.00	16	36,000,000.00
XII	2	14,000,000.00	1	3,000,000.00	26	26,000,000.00	29	43,000,000.00
XIII	2	14,000,000.00	1	3,000,000.00	11	11,000,000.00	14	28,000,000.00
NCR	0	-	4	12,000,000.00	0	-	4	12,000,000.00
TOTAL	28	196,000,000.00	27	81,000,000.00	193	193,000,000.00	248	470,000,000.00

I. 3RD QUARTER ACCOMPLISHMENT REPORT: PERFORMANCE CHALLENGE FUND (PCF)

A. PROVISION OF FINANCIAL SUBSIDY TO LGUs

1. PCF 2015 FOR SGLG PASSERS

The Performance Challenge Fund pursues the DILG's banner campaign on transparency and accountability and good local governance, advocating that transparency and accountability in local government operations will lead to improved service delivery systems and ultimately improve living conditions of the people in the community. Hence, the Department strengthens its campaign to encourage continuous improvement in the performance of local government units (LGUs) by raising the bar of excellence to qualify for the incentive support for local development projects.

Starting CY 2014, the Seal of Good Housekeeping (SGH), the basic eligibility requirement to access the Performance Challenge Fund (PCF) was scaled up to the Seal of Good Local Governance (SGLG), *Pagkilala sa Katapatan at Kahusayan ng Pamahalaang Lokal*. SGLG recognizes good performance not only on financial housekeeping but now includes other performance dimensions that directly benefit the people such as disaster preparedness, social protection, business-friendliness and competitiveness, peace and order and environment management.

Following these guidelines on SGLG espoused under **DILG-MC-2014-39** and **DILG-MC-2015-36**, the assessment conducted in CY 2014 resulted to the conferment of the **2015 Seal of Good Local Governance** to LGU recipients. In view of thereof, the CY 2015 SGLG awardees are declared eligible to access the 2015 PCF incentive in the amount of P7 Million per Province; P5 Million per City and P3 Million per Municipality as provided by **DILG-MC-2015-78**.

These 254 LGUs (41 provinces, 28 cities and 185 municipalities) are now on the process of preparing the necessary requirements to access the PCF. All concerned DILG Regional Offices are now facilitating the submission of the administrative documentary requirements of these qualified PCF recipients as required in the **DILG-MC-2015-78**.

2. PCF 2014 FOR GFH PASSERS

248 LGUs (28 provinces, 27 cities and 193 municipalities) that are consistent GFH passers for two consecutive GFH assessment years (2012 and

2014) are provided with P7 Million for provinces, P3 Million for Cities and P1 Million for Municipalities; **DILG-MC-2015-37** dated April 7, 2015 entitled Eligible Beneficiaries of the 2014 PCF was released to all regions. All concerned DILG Regional Offices are now facilitating the submission of the administrative documentary requirements of these qualified PCF recipients as required in **DILG MC-2013-148**.

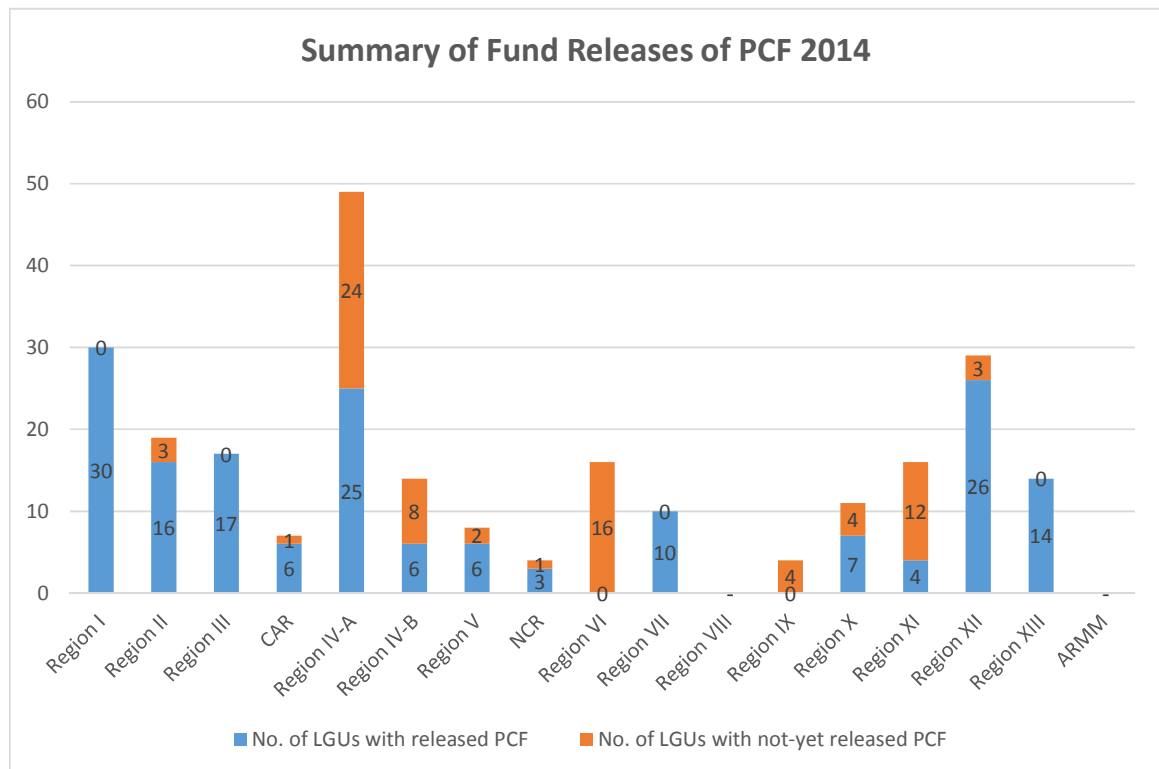
Out of the two hundred forty-eight (248) LGU recipients, there are one hundred seventy (170) LGUs that have already completed the documentary requirements and were able to received the PCF subsidy, while seventy-eight (78) LGUs are still complying on the requirements. (See Table 3 and Figure 1)

Table 3

	No. of LGUs	Subsidy Disbursed
Total No. of LGUs:	248	470M
Not-Yet Released	78	172M
Released:	170	298M
Percentage:	69%	

As of September 16, 2015

Figure 1



** As of September 16, 2015*

II. Status of the Projects

Table 5

Project Status Summary for CY 2010 - 2013						
Region	Total No. of PCF Projects	No. of Completed Projects	% of Completed Projects	No. of On-Going Projects	% of On-Going Projects	No. of Not-Yet Started Projects
REGION 01 - ILOCOS REGION	301	301	100%	0	0%	0
REGION 02 - CAGAYAN VALLEY	216	212	98%	2	1%	2
REGION 03 - CENTRAL LUZON	173	170	98%	2	1%	1
CORDILLERA ADMINISTRATIVE REGION	105	100	95%	5	5%	0
REGION 04A - CALABARZON	190	166	87%	9	5%	15
REGION 04B - MIMAROPA	88	88	100%	0	0%	0
REGION 05 - BICOL REGION	93	70	75%	12	13%	11
NATIONAL CAPITAL REGION	1	0	0%	0	0%	1
REGION 06 - WESTERN VISAYAS	275	218	79%	55	20%	2
REGION 07 - CENTRAL VISAYAS	84	26	31%	6	7%	52
REGION 08 - EASTERN VISAYAS	35	21	60%	8	23%	6
REGION 09 - ZAMBOANGA PENINSULA	77	68	88%	6	8%	3
REGION 10 - NORTHERN MINDANAO	86	66	77%	7	8%	13
REGION 11 - DAVAO REGION	98	85	87%	4	4%	9
REGION 12 - SOCCSKSARGEN	78	74	95%	3	4%	1
REGION 13 - CARAGA	182	154	85%	16	9%	12
AUTONOMOUS REGION IN MUSLIM MINDANAO	10	8	80%	0	0%	2
Total	2092	1827	87%	135	6%	130

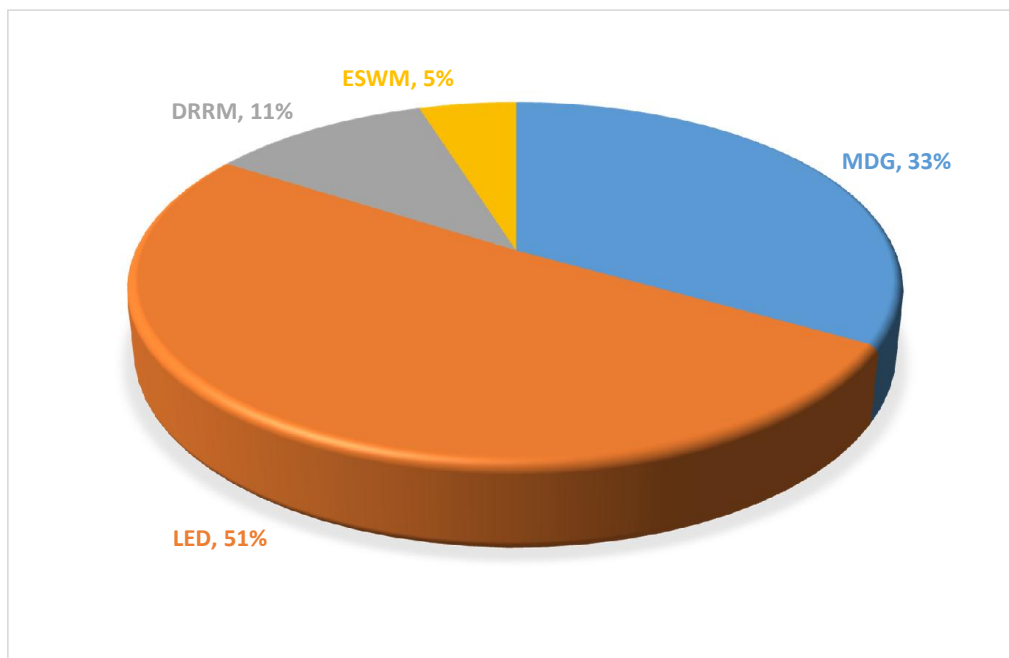
**Based on the data taken from the PCF Website as of September 30, 2015

Table 6

PCF Category	Number of Projects	Percentage
Millennium Development Goals (MDG)	697	33%
Local Economic Development (LED)	1064	51%
Disaster Risk Reduction Management (DRRM)	230	11%
Ecological Solid Waste Management (ESWM)	101	5%
TOTAL	2092	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Figure 2



Distribution by Project Category for CY 2010

Table 7

PCF Category	Number of Projects	Percentage
Millennium Development Goals (MDG)	13	42%
Local Economic Development (LED)	14	45%
Disaster Risk Reduction Management (DRRM)	3	10%
Ecological Solid Waste Management (ESWM)	1	3%
TOTAL	31	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Figure 3

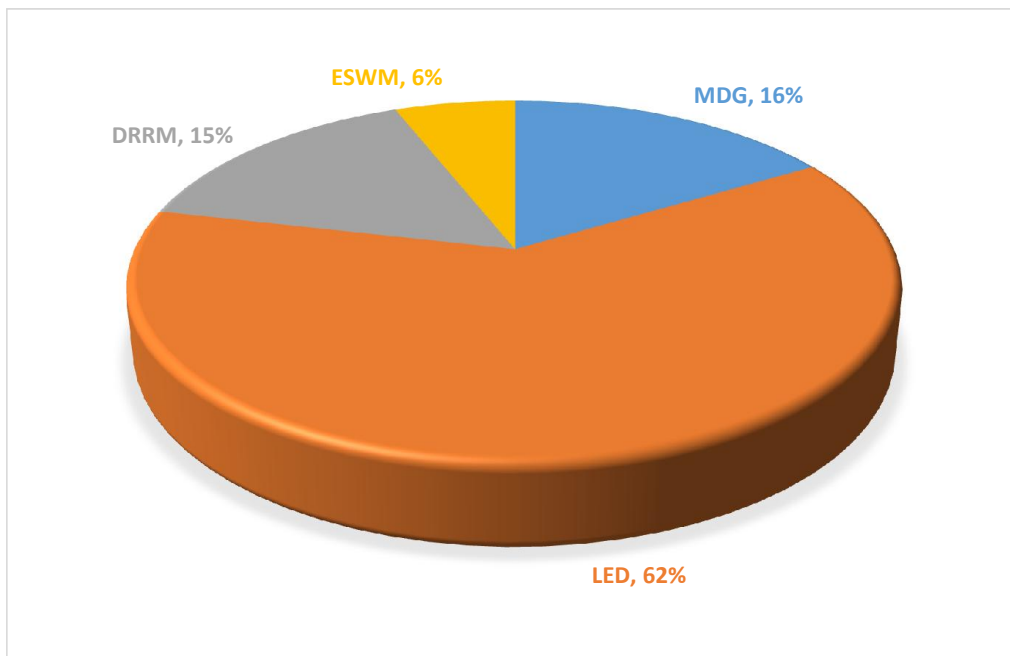


Table 8

Summary of Project Status for the year 2010			
Region	Total No. of PCF Projects	No. of Completed Projects	Percentage of Completed Projects
REGION 01 - ILOCOS REGION	2	2	100%
REGION 02 - CAGAYAN VALLEY	2	2	100%
REGION 03 - CENTRAL LUZON	0	-	-
CORDILLERA ADMINISTRATIVE REGION	2	2	100%
REGION 04A - CALABARZON	2	2	100%
REGION 04B - MIMAROPA	0	0	0%
REGION 05 - BICOL REGION	3	3	100%
NATIONAL CAPITAL REGION	0	0	0%
REGION 06 - WESTERN VISAYAS	2	2	100%
REGION 07 - CENTRAL VISAYAS	4	4	100%
REGION 08 - EASTERN VISAYAS	2	2	100%
REGION 09 - ZAMBOANGA PENINSULA	2	2	100%
REGION 10 - NORTHERN MINDANAO	4	4	100%
REGION 11 - DAVAO REGION	1	1	100%
REGION 12 - SOCCSKSARGEN	0	0	0%
REGION 13 - CARAGA	4	4	100%
AUTONOMOUS REGION IN MUSLIM MINDANAO	1	1	100%
Total	31	31	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Distribution by Project Category for CY 2011

Table 9

PCF Category	Number of Projects	Percentage
Millennium Development Goals (MDG)	214	34%
Local Economic Development (LED)	303	48%
Disaster Risk Reduction Management (DRRM)	70	11%
Ecological Solid Waste Management (ESWM)	39	6%
TOTAL	626	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Figure 4

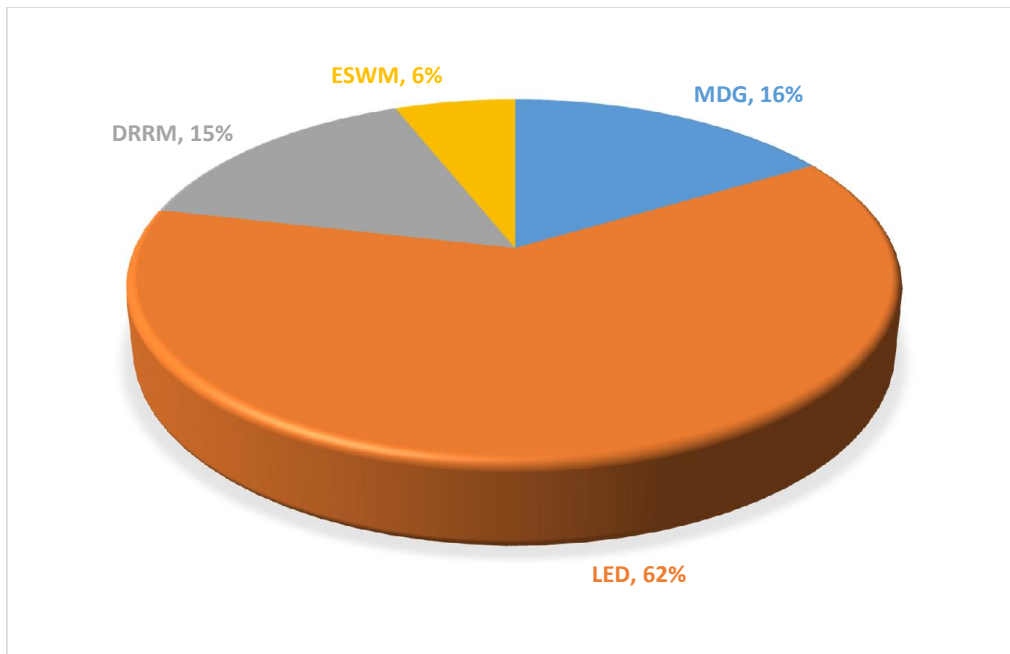


Table 10

Project Status Summary for the year 2011						
Region	Total No. of PCF Projects	No. of Completed Projects	% of Completed Projects	No. of On-Going Projects	% of On-Going Projects	No. of Not-Yet Started Projects
REGION 01 - ILOCOS REGION	110	110	100%	0	0%	0
REGION 02 - CAGAYAN VALLEY	37	37	100%	0	0%	0
REGION 03 - CENTRAL LUZON	44	44	100%	0	0%	0
CORDILLERA ADMINISTRATIVE REGION	34	34	100%	0	0%	0
REGION 04A - CALABARZON	56	56	100%	0	0%	0
REGION 04B - MIMAROPA	25	25	100%	0	0%	0
REGION 05 - BICOL REGION	31	30	97%	1	3%	0
NATIONAL CAPITAL REGION	0	0	-	0	-	0
REGION 06 - WESTERN VISAYAS	104	104	100%	0	0%	0
REGION 07 - CENTRAL VISAYAS	16	15	94%	1	6%	0
REGION 08 - EASTERN VISAYAS	8	8	100%	0	0%	0
REGION 09 - ZAMBOANGA PENINSULA	26	26	100%	0	0%	0
REGION 10 - NORTHERN MINDANAO	33	33	100%	0	0%	0
REGION 11 - DAVAO REGION	15	15	100%	0	0%	0
REGION 12 - SOCCSKSARGEN	9	9	100%	0	0%	0
REGION 13 - CARAGA	73	73	100%	0	0%	0
AUTONOMOUS REGION IN MUSLIM MINDANAO	5	5	100%	0	0%	0
Total	626	624	99%	2	1%	0

**Based on the data taken on the PCF Website as of September 30, 2015

Distribution by Project Category for CY 2012

Table 11

PCF Category	Number of Projects	Percentage
Millennium Development Goals (MDG)	355	48%
Local Economic Development (LED)	311	42%
Disaster Risk Reduction Management (DRRM)	49	7%
Ecological Solid Waste Management (ESWM)	19	3%
TOTAL	734	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Figure 5

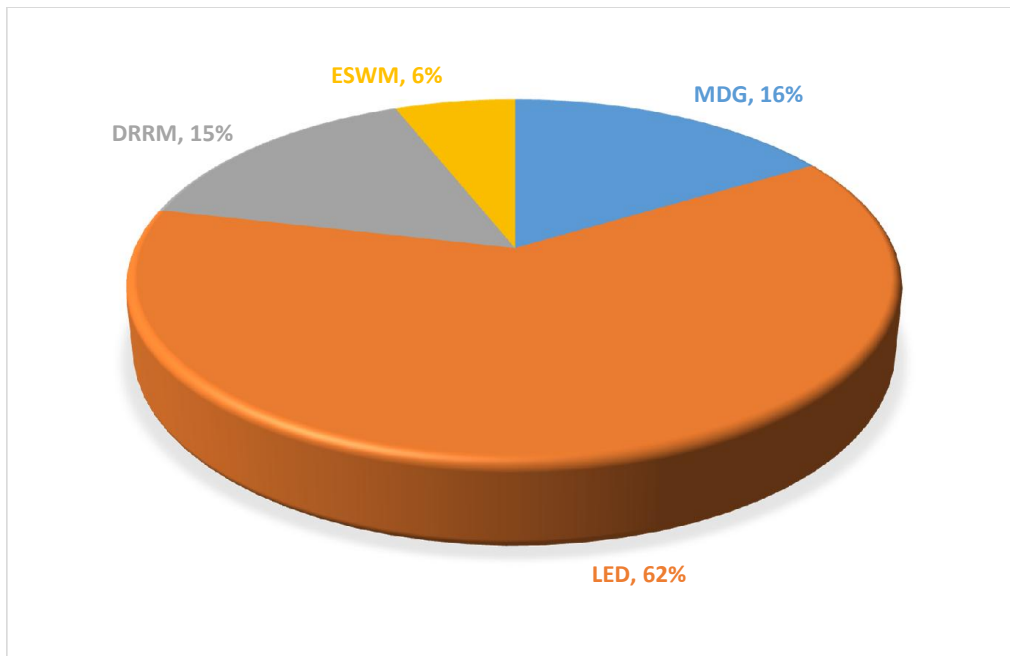


Table 12

Summary of Project Status for the year 2012							
Region	Total No. of PCF Projects	No. of Completed Projects	% of Completed Projects	No. of On-Going Projects	% of On-Going Projects	No. of Not-Yet Started Projects	% of Not-yet Started Projects
REGION 01 - ILOCOS REGION	93	93	100%	0	0%	0	0%
REGION 02 - CAGAYAN VALLEY	111	111	100%	0	0%	0	0%
REGION 03 - CENTRAL LUZON	103	101	98%	2	2%	0	0%
CORDILLERA ADMINISTRATIVE REGION	23	23	100%	0	0%	0	0%
REGION 04A - CALABARZON	60	58	97%	2	3%	0	0%
REGION 04B - MIMAROPA	35	35	100%	0	0%	0	0%
REGION 05 - BICOL REGION	12	7	58%	5	42%	0	0%
NATIONAL CAPITAL REGION	1	0	0%	0	0%	1	100%
REGION 06 - WESTERN VISAYAS	72	72	100%	0	0%	0	0%
REGION 07 - CENTRAL VISAYAS	7	5	71%	0	0%	2	29%
REGION 08 - EASTERN VISAYAS	13	7	54%	5	38%	1	8%
REGION 09 - ZAMBOANGA PENINSULA	22	21	95%	1	5%	0	0%
REGION 10 - NORTHERN MINDANAO	21	17	81%	3	14%	1	5%
REGION 11 - DAVAO REGION	62	57	92%	1	2%	4	6%
REGION 12 - SOCCSKSARGEN	53	52	98%	0	0%	1	2%
REGION 13 - CARAGA	44	44	100%	0	0%	0	0%
AUTONOMOUS REGION IN MUSLIM MINDANAO	2	0	0%	0	0%	2	100%
Total	734	703	95%	19	3%	12	2%

**Based on the data taken on the PCF Website as of September 30, 2015

Distribution by Project Category for CY 2013

Table 13

PCF Category	Number of Projects	Percentage
Millennium Development Goals (MDG)	115	16%
Local Economic Development (LED)	436	62%
Disaster Risk Reduction Management (DRRM)	108	15%
Ecological Solid Waste Management (ESWM)	42	6%
TOTAL	701	100%

**Based on the data taken on the PCF Website as of September 30, 2015

Figure 6

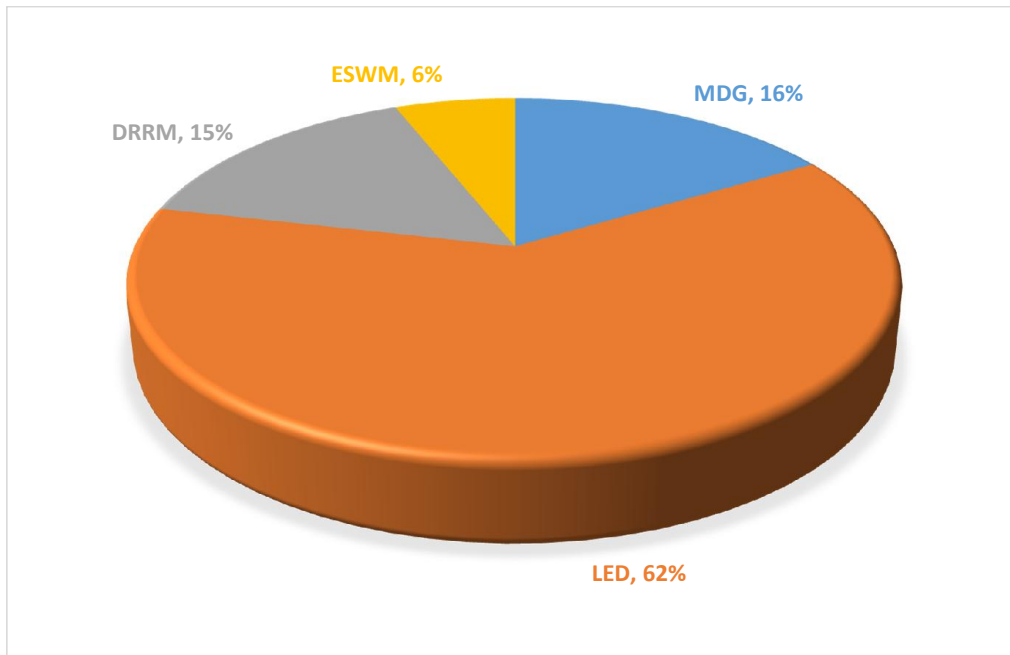


Table 14

Summary of Project Status for the year 2013							
Region	Total No. of PCF Projects	No. of Completed Projects	% of Completed Projects	No. of On-Going Projects	% of On-Going Projects	No. of Not-Yet Started Projects	% of Not-Yet Started Projects
REGION 01 - ILOCOS REGION	96	96	100%	0	0%	0	0%
REGION 02 - CAGAYAN VALLEY	66	62	94%	2	3%	2	3%
REGION 03 - CENTRAL LUZON	26	25	96%	0	0%	1	4%
CORDILLERA ADMINISTRATIVE REGION	46	41	89%	5	11%	0	0%
REGION 04A - CALABARZON	72	50	69%	7	10%	15	21%
REGION 04B - MIMAROPA	28	28	100%	0	0%	0	0%
REGION 05 - BICOL REGION	47	30	64%	6	13%	11	23%
NATIONAL CAPITAL REGION	0	0		0		0	
REGION 06 - WESTERN VISAYAS	97	40	41%	55	57%	2	2%
REGION 07 - CENTRAL VISAYAS	57	2	4%	5	9%	50	88%
REGION 08 - EASTERN VISAYAS	12	4	33%	3	25%	5	42%
REGION 09 - ZAMBOANGA PENINSULA	27	19	70%	5	19%	3	11%
REGION 10 - NORTHERN MINDANAO	28	12	43%	4	14%	12	43%
REGION 11 - DAVAO REGION	20	12	60%	3	15%	5	25%
REGION 12 - SOCCSKSARGEN	16	13	81%	3	19%	0	0%
REGION 13 - CARAGA	61	33	54%	16	26%	12	20%
AUTONOMOUS REGION IN MUSLIM MINDANAO	2	2	100%	0	0%	0	0%
Total	701	469	67%	114	16%	118	17%

**Based on the data taken on the PCF Website as of September 30, 2015