

PLANNING FOR REGIONAL DEVELOPMENT: THE EXPERIENCE OF REGION I

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Introduction

This paper is concerned with how regional decisions on the development of the region are made. It therefore focuses on (1) the planning process as a tool for decision-making; (2) the Regional Development Council as the planning and decision-making body; and (3) the environment within which planning and decisions occur. Major issues affecting these areas will also be highlighted.

This paper is not intended to represent general observations on the state of regional planning and development in the country, nor does this represent the official position of the NEDA or the RDC in Region I.

The Regional Planning Process

The regional planning process follows the generally accepted procedure for comprehensive regional planning. The process includes a sequence of actions which are designed to solve problems in the future, viz., situation analysis and projections; formulation of general goals and more specific and measurable objectives relating to the problem; formulation of policies and strategies including their program/project components; budgeting; monitoring and evaluation; and replanning.

Situational Analysis

The situation analysis includes the evaluation of both existing and forecasted situation. Thus, if the plan horizon extends for five years, the measurement of the magnitude of needs and problems will have to be projected up to the end of the fifth year.

The scope of this analysis covers the environment, resources (human, natural, infrastructural/technological, institutional, financial) and the needs and aspirations of the people. The situation analysis, comprehensive as it is, provides the requisite baseline information needed to indicate the more salient problems of development, opportunities and prospects of development in the area, and the needs and aspirations of the populace.

While the basic problems of development as well as the assessment of resources are rather easy to establish through consultations, surveys and analysis of data, the other planning input arising out of the felt needs and aspirations of relatively large groups of people living in particular areas in the region does not lend itself easily to definition and categorization. While

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this is made operationally difficult by the level at which planning is conducted, regional planners could not escape ascertaining the general felt needs as well as the conditions that would permit satisfaction of these needs especially with such groups of people as the small lowland farmers, the cultural minorities, coastal fishermen, urban squatters and such other similarly situated groups of disadvantaged people.

It is expected that the RDC members especially the area-based governors and city mayors would in some way articulate the felt needs of these people. However, except for some general statements about the plight of, for instance, the small fishermen or the cultural minority in some parts of the region, which statements, not infrequently, are already of public knowledge, little information could actually be extracted in terms of the felt needs and situation of these people. A regional plan of action could not, therefore, be really fashioned out to respond effectively to meeting their needs.

A way out had been proposed. Because these groups represent the underprivileged class whose needs ought to be addressed to by the government, a representative could be chosen by them to articulate their needs in the Development Council. This will, however, require the restructuring and consolidation of the largely fragmented and even wobbly organizational apparatus of these groups. The other alternative is for the RDC Technical Staff to undertake more indepth situation studies and value analysis for these segments of the population as a basis for formulating appropriate policies and programs. Funding constraints have not yet made this possible, however.

Goals/Objectives, Targets

On the basis of problems identified, constraints recognized, needs articulated and defined, and resources inventoried, goals, objectives and targets were formulated. Goal formulation and target-setting considered the vertical linkages of the regional plan with the national and local plans, i.e., inasmuch as the regional plan is considered as a component of the national plan in the same way that local plans are components of the regional plan, it is necessary that a realignment of goals, objectives and targets at all levels of planning be made. In the case of the region, however, these efforts were largely confined to the vertical relations of the regional plan with the national plan owing to the lack of local plans as inputs. This lack is right now being remedied by an Integrated Area Development approach that features, among other things, the bottoms-up procedure in planning.

The goal formulation phase utilized the task-group approach. RDC-created ad hoc planning bodies called Sectoral Task Groups (SECTAGs) were organized around the eleven major areas of concern for the development of the region. These concerns include both productive and supportive sectors, viz., Agriculture, Industry, Tourism, Foreign Trade, Education and Manpower Development, Health, Nutrition and Family Planning, Housing and Human

Settlements, Environmental Quality, Social Welfare, Community Development and Infrastructures/Utilities.

A SECTAG averaged 12 members. Its composition included representatives from public and private offices and institutions whose concerns, activities and functions were directly related to the particular SECTAG. Additional data information needed for goal formulation were mostly provided and analyzed by SECTAG members with the technical support of the RDC staff.

Basic goals of development including macro-economic targets were worked out by the RDC Technical Staff, while the sectoral development goals and objectives became the output of the various SECTAG workshops. After integrating the eleven sectoral goals and objectives with one another and eventually with the macro-economic targets, these were presented to the RDC for deliberation and approval.

Policies/Strategies

Policy and strategy formulation followed the goal-formulation phase. This phase in the planning process recognizes that the development of sound and consistent plans and programs requires a set of approved or generally accepted policies and strategies against which to measure new recommendations for program/project development. Policies in effect were principles governing actions, while strategies served as guideposts actively directing actions toward agreed upon course of actions. The SECTAGs were still the workhorse for this activity.

The main intention behind the goal-setting and policy/strategy formulation phases was to determine the needs and aspirations of the people as well as their officials considering a variety of factors related to planning and development for the future and to translate the consensus of opinions and thinking into a set of goals, objectives, policies and strategies which would become the basis for the more detailed sectoral and local programs and projects for regional development.

The SECTAG approach in policy determination had permitted wider participation of representatives from key sectors and institutions in the region's planning process and had, therefore, marked a shift from the traditional approach in setting goals and defining policies where only a few, usually the planners, are involved.

Programs/Projects

The identification of the program and project components of sectoral objectives and strategies came next, practically involving all the eleven SECTAG's again. Because the SECTAGs were preponderantly line agency in composition, it could only be expected that most programs and projects that were formulated reflected those of line agencies, and less of the local governments.

When these sets of sectoral programs and projects became the subject of scrutiny of the RDC members, it was expected that the political group would react rather strongly to these because of the apparent lopsided orientation of the programs and projects towards the sectors, which tended to reflect the requirements of the national plan more than the needs and interests of local units in the region. Little of the sort came about. Underlying this lack of balance in program/project selection was the overwhelming emphasis placed on sectoral planning as against area planning — the main feature of which is the pervasive participation of the people in project identification.

Having completed all the major components of the plan, a draft Regional Plan was prepared and submitted to the RDC which then set a public hearing to solicit additional public reaction and comments on the proposed plan before its final approval. The public hearing did make certain changes in the draft plan, but on the whole these were not considered substantial enough.

Implementation/Budgeting

The regional plan by nature is broad and indicative. Its implementation required the translation of the plan components into more specific and operational programs and projects with cost level estimates. The regional budgeting spearheaded by the Ministry of the Budget and the RDC became the occasion for this exercise. Because the regional budgeting considered only those programs and projects whose allocation came from the coffers of the national government, it had therefore confined itself largely to the budgets of line agencies in the region. While the RDC was empowered to review the proposed annual budgets of line agencies against its defined priorities, it did not have any decision on the allocation of the re-allocation of resources.

Monitoring/Evaluation

The progress of implementation of programs and projects in the region is being reported by the various implementing agencies to the RDC through a monitoring system that retrieves field reports on a quarterly basis. These reports are evaluated on the basis of the project's target, schedule of activities and cash releases. While this monitoring system assesses the extent of program/project implementation against its own parameters, The Annual Economic Report of the RDC evaluates the total impact of the implementation of all the programs and projects in the region on the attainment of the macro-economic targets contained in the Plan. Monitoring and evaluation of development programs complete the planning process into a full cycle.

Where there are modifications in terms of policy orientation, program thrust and strategies, these are incorporated in the next cycle of plan implementation. This approach permits continuous refinements and flexibility in the planning process of the region.

Since the Regional Development Plan stretches for five years from 1978 to 1982, there is a need to come out with annual operational plans and programs for the region. Thus far, the consolidation of line agency and local governments' annual plans, programs and projects including their proposed budgets became in effect the Regional Annual Operating Plans and Programs.

The regional agency and local governments' annual plans and programs including their accompanying budget proposals are being reviewed against the Regional Development Plan and the changes proposed therein as a result of the year-end evaluation of the programs implemented. This review is intended to ensure that the line agency and local governments' plans and programs will more effectively respond to the needs and requirements for successfully attaining the growth targets contained in the plan.

The latter activities specifically on regional budgeting, monitoring and evaluation and plan refinement are mostly carried out by the RDC Technical Staffs.

It should be noted that the regional planning process is a dynamic one, requiring constant review and evaluation of the output (which is the Regional Development Plan) in terms of the changes in the environment. Because of this, the planning process is actually as important as the Plan itself. At best, the series of Annual Regional Plans and Programs formulated in the context of the Five-Year Regional Development Plan are approximation attempts and, hopefully, these get to be more refined as the RDC progresses in its planning and implementation experience.

The Regional Development Council

As presently organized, the RDC in the region is composed of some 40 members. Although its size has grown to unmanageable proportions, ironically the idea behind getting more members is to increase the coordinative capabilities of the RDC at the same time permit greater representation of vital concerns in the region's development.

Basically, there are two discernible groups in the RDC's composition, namely, the political group composed of the elected officials (city mayors and provincial governors) and the technical group composed of regional directors and other heads of regional offices and agencies. Lately, there had been special additions in the RDC membership, and these included the Regional President of the KB and the President of the Federation of Barangay Captains in the region.

As envisioned in the Integrated Reorganization Plan under PD No. 1, the membership in the RDC is actually meant to (1) directly enlist the support of agency heads concerned with the implementation of a major development program to relate and coordinate their activities with those of the RDC; (2) encourage more productive linkage between local governments and the

field offices of the national government especially in terms of program/project identification, planning and implementation; and (c) link planning with implementation by directly utilizing program implementors as planners and decision-makers.

It would seem that the present composition of the RDC would allow the surfacing of a more balanced regional perspective in that the political group will be looking at regional development in terms of the specific contributions of their areas (cities and provinces), while the technical group will be looking at it from the vantage point of regional sectoral concerns. In short, while understandably there will be some members who will view the regional system from its area components, there will also be members whose viewpoints cut across these areas but along various regional sectoral concerns, e.g., infrastructures, social services, industry, etc.

The RDC has as its chairman an elected official who is a presidential appointee. It is expected that, being a presidential appointee, the chairman can more easily get the support he needs as the overall coordinator of development in the region. The NEDA representative to the Council who is at the same time the Executive Director of the RDC Technical Staff is the Vice-Chairman. This setup permits the direct participation of the NEDA Regional Office in decisions affecting regional development.

The day-to-day responsibilities of the RDC is taken care of by the Executive Committee or ExCom composed of representatives from both the political (one representative from the city mayors and another one from the provincial governors) and technical groups (represented by key sectoral line agencies like the MPH, BAEx, MED, MOL, etc.). The ExCom meets more often to discharge the functions of the RDC. This body is chaired by the NEDA Regional Executive Director.

Under LOI No. 22, the functions of the RDC include the following:

1. Conduct a comprehensive and detailed survey of the resources and potentialities of the region, and on the basis thereof, prepare long-range and annual plans for the region within the guidelines set by the National Economic and Development Authority;
2. Translate the national economic goals into more specific regional objectives which shall be reflected in the plans and programs of action prepared for the region;
3. Develop a research program involving continuing studies on the social, economic and cultural development in the region;
4. Consider and adopt an annual regional economic report for transmittal to the National Economic and Development Authority;
5. Extend planning and other related forms of technical assistance to the local governments, local planning boards, and sectoral developments of the national government existing in the region, and private activities;

6. Coordinate all planning activities of sectoral departments of the national governments existing in the region in relation to those of the local governments and local planning boards;

7. Make the necessary changes, amendments and revisions in the regional plans to improve and update them; and

8. Perform such other functions as may be provided by law.

Lately, the above functions were expanded and strengthened under LOI No. 542 to include the following:

1. Direct the formulation of an integrated regional development plan to include plans of national government agencies, regional development bodies and local governments in the region;

2. Coordinate the implementation of development programs and projects in the region and establish a monitoring system thereof;

3. Recommend to the NEDA and the Budget Commission a system of priorities in the allocation of budgetary resources for programs and projects of national government offices in the region in accordance with the regional plan;

4. Administer the share of the region from the Regional Development Fund provided under the National Budget Decree, and such other funds as may be provided by the national government and/or local governments for regional projects;

5. Coordinate local planning activities in the region to ensure the consistency of local plans with development plans for the region;

6. Call on any agency or instrumentality of the government and on private entities and organizations in the region for cooperation and assistance in the performance of the Council of its functions;

7. Submit to the President through the NEDA quarterly reports and such others as may be required or necessary on the status of development efforts in the region and recommend measures for accelerating regional growth and development.

Despite the above, however, much room is still to be desired in order to make the RDC really the pivoting center for regional development and coordination. Thus far, the main issue leveled against the RDC is its lack of administrative and political powers over line agencies and local governments in the area. As to its coordinative function, it would seem that the RDC is still much less effective as the coordinating body vis-a-vis the central offices of the field offices notwithstanding LOI No. 542 and LOI No. 22. This may be due to the fact that the regional offices are largely appendages of Manila-based offices without really that much power to decide for and in behalf of their respective mother offices.

The Environment of Regional Planning

While regional planning has been accepted as a viable strategy complementing the countryside development program of the government, certain forces beyond the ambit of effective control of the RDC still render it weak if not all together inutile.

The crux of the matter lies in the fact that regionalization exists more in form than in substance. The trappings of regionalization are there—regional offices, regional processes (e.g., regional planning, regional budgeting, regional monitoring, etc.) and the RDC itself. What is lacking, however, is the devolution of more substantive authority that truly enhances the capacity as well as the flexibility of regional units for effectively grappling with varied regional problems and situations. For instance, regional planning becomes difficult if resource allocation to implement the plan is a decision which is not made accessible to regional planners themselves. Hence, what may have been planned as a regional priority may not necessarily correspond to what will be implemented because the decision on the allocation of resources which, as always, is the most critical decision, falls on other authorities.

Besides this, there are a number of events that seem to continue to undermine further the effectiveness of the RDC. One of these is the outright planning and implementation of programs and projects in the region by some national offices/agencies without consulting the RDC. Another has something to do with the creation of other centers of coordination in the region.

Indeed, the environmental context within which regional planning is conducted may not appear as critical as it should. However, it is felt that efforts made along this line may yet spell out the continued viability of the regional planning process and hence, of countryside development as a key program of the government.

Some Key Issues on Regional Planning and Development

1. *Issue on Regional Leadership.* The RDC as extension of the NEDA Board in the region is expected to provide the leadership and the much-needed direction in regional planning. Thus, its main task is to coordinate the planning activities and development efforts of all regional line agencies, development authorities and provincial and city governments in the region.

The provision, therefore, of the necessary leadership and direction in the planning and development efforts of the region implies the need for strengthening the leadership structure for regional planning and for enhancing the role of the RDC Chairman as Regional Coordinator.

Lately, steps had been taken to strengthen the RDC Chairman as the regional coordinator with the passage of P.D. 797. This P.D. made the RDC Chairman a designate of the President and, being a Presidential appointee, he would carry to a certain extent the influence and the authority of the President. The effectiveness of the RDC discussion, however, could be undermined

by the presence of other presidential appointees in the region, i.e., PROD, PPAO, COPE, etc., whose functions are similarly related to regional development.

In the particular case of the Ilocos Region, for instance, the problem of regional leadership could be discerned from the fact that overall authority in coordinating and directing the development of the region does not seem to emanate from one central authority due to the presence of other regional officers. No doubt, this contributes to the problem of forging effective coordination inasmuch as varying, if not conflicting, guidelines and directions may be issued out from these regional officers.

2. *Issue on the Role of Local and Regional Planning Efforts Vis-a-Vis Regional Planning and Development.* Participants in the regional exercise include the regional line agencies, other development bodies or authorities and the local government units. These participants are expected to extend their full cooperation in the task of formulating and implementing regional plans and programs. It is their responsibility to put forward the regional, local and sectoral dimensions to the plan outcome.

Provincial, city and municipal governments are expected to come out with their overall local development plans in coordination with the RDC and the local MLGCD. Ideally, therefore, local plans feed into and should form a substantial part of the regional plan, in much the same manner that regional plans become constitutive parts of the national plan.

However, due to the difficulty of implanting the local planning process as a result of the constraints in technical manpower, the local government's capacity to finance, etc., the participation of local government units has heretofore been very negligible. The crucial role of local planning in the context of regional planning has not yet been operationalized. In the meantime, regional plans are found most wanting in reflecting and articulating local aspirations and needs. Unfortunately, stopgap measures adopted (e.g., SECTAGs) have not proved effective enough to capture local thinking, needs and goals.

Desirous as they are in contributing to the tasks of regional planning, the regional line agencies find themselves in a more sorry situation than are the local government units; the basic reason has something to do with regionalization existing more in form than in substance. The continued absence of planning and programming functions in regional offices, notwithstanding the policy of decentralized administration, is taken as indication of the failure of national departments to delegate regional sectoral decision-making functions to their regional offices. As a result, participation of regional line agencies in the region's planning exercise cannot be expected to be effective.

There is, therefore, an urgent need to implant the local planning process in local governments and encourage sectoral departments to so strengthen their field offices that the local and sectoral dimensions of the regional plans are given concrete meanings.

3. *Issue on Regional Coordination.* Interest in attaining a high degree of coordination stems from the observation that development programs have greater development impact if formulated and executed in a concerted rather than dissipative manner. Likewise, coordination works to obviate activities that overlap or run at cross purposes and makes for greater efficiency.

The RDC, being the highest planning authority in the region, sees to it that regional local plans, programs and projects are made based on the planning guidelines and priorities set at the national level. The issue of coordination is perceived both as a structural and procedural issue. As a structural issue, coordination arises from the sad fact that the current regionalization scheme exists more in form than in substance. Despite the policy of decentralization, regional heads of line agencies are not provided with sufficient authority to enable them to commit the resources of their respective agencies in the field of regional planning and development. Further, the coordination of regional development efforts by the RDC is made extremely difficult due to the tendency among some regional line agencies to look for direction from their mother agencies in the formulation and implementation of regional sectoral plans and programs.

As a procedural problem, coordination emerges as an issue inasmuch as no definite moves have been taken to define or determine in exact terms the extent of the planning roles and responsibilities of all participants in the regional planning process. For example, no scheme has yet been worked out even conceptually to integrate plan inputs from local government units and regional line agencies.

4. *Issue on Resource Allocation and Regional Budgeting.* To many who are engaged in developmental activities, the public budget represents the single most important instrument of effecting desired development in the region. The conversion, however, of a plan into a budget becomes a very important stage in the planning process.

The implementation process at the regional level is based on the traditional sectoral divisions of the government. In this setup, programs and projects are implemented not on the basis of their priority status in the regional development plan but on the basis of budgetary allocations to field offices as may be determined or recommended by the sectoral departments.

The desired scheme in budgeting and resource allocation is to link planning with budgeting. The above traditional setup permits planning at one administrative level (the region) and resource allocation at another level (national). Regional planners feel that this setup weakens their stature and dissipates their effectiveness in providing leadership and coordination in the region. Unless budgeting is considered an essential and integral component of the whole planning, programming and budgeting system (PPBS) and, therefore, should be located at the same level where the planning enterprise is conducted, many participants would simply continue regarding the current re-

gional planning an exercise in futility.

There is obviously the dire need for regional planners to influence the direction of the allocation of resources in accordance with planned sectoral priorities. Needless to say, the whole planning exercise becomes meaningful and self-rewarding to the extent that planners and decision-makers could effect desirable changes in the region through their participation in resource allocation. It would moreover place the RDC in a more advantageous position vis-a-vis the various agencies participating in the planning exercise. By reviewing the budget of various agencies and local governments against the regional plan, there is greater assurance that the implementation of projects and programs by the participating agencies could be geared towards the national and regional/local development priorities.

Thus far, the role of the RDC in regional budgeting is limited to the definition of regional priorities, and the review of programs and projects in terms of these priorities. Unlike the Development Budget Coordination Committee, the RDC does not yet co-opt with Budget Ministry on investment allocation decisions in the region to advance regional cause and priorities.

5. *Issue on Regional-Local Planning Cycle and Process.* Another equally important issue on local planning is the need to formulate a planning cycle and a planning process which can interrelate all the planning activities at all levels of government in the region. This is crucial because on the operationalization and, eventually, the perfection of this mechanism or process would depend the articulation of local needs and aspirations in the regional plan.

At present, a compromise system has been devised such that the local input is injected in the regional plan, and this is through the various Sectoral Task Groups (SECTAGs). This, however, leaves much to be desired inasmuch as the emphasis is on sectors and not on areas, e.g., provinces and cities. This stop-gap structure only points out all the more the need for a mechanism that shall integrate plans and programs of local governments and regional agencies.

Likewise, there is an urgent need to delineate in exact terms the plan formulation flow including the timetable of the whole planning process. The idea is to synchronize planning activities in the region such that maximum coordination and integration of planning inputs as well as outputs from various participating agencies at the regional as well as the local levels are achieved.

6. *Issue on Program Coordination.* The RDC has been quite successful in coordinating the planning activities of national line agencies and local governments in the region. It has done this through sectoral strategies, policies and program components. However, when the agencies start implementing this, there is no longer a mechanism that coordinates and even integrates complementary and supportive programs and projects. As a result, this project-to-project approach during the plan implementation phase has worked against the achievement of efficiency and economy in program execution.

LOI No. 542 now assigns program implementation coordination to the RDC, so that coordination is achieved both in the areas of planning and implementation. The RDC in operationalizing this function is thinking of using the Integrated Area Development Approach (IAD) as the unifying tool, where program proposals from all agencies of the national and local governments and even the private sector are made to bear on a specific geographic area (cities and provinces) as the platform for enhancing complementation and synergy. However, because of financial constraints this cannot be done now.

The other method will utilize inter-agency committee and work groups. This will operate within the umbrella of the RDC planning sectors but will entail more specific sub-sectors and will zero in on programs which require the involvement of a number of agencies in its implementation, e.g., inter-agency committee on family planning, inter-agency committee on food production, inter-agency committee on product marketing, inter-agency committee on industrial manpower development, etc. The lead agency in these sub-sectors will be recognized to really take the "lead"; however, its activities relative to this will be under the overall coordination of the RDC.

While this will imply more activities for the RDC, particularly its technical staff, the NRO, the other problem has to do with the "attitudes" of agencies that will be involved in this agreement. Specifically, agencies concerned will be getting specific implementation directions from these inter-agency committees and less from their mother agencies.

General Observations and Conclusions

It is observed that regional planning is characteristically as yet weak. The basic reason stems from the lack of political and administrative authority of the RDC Chairman over line agencies of the national government and the local government. In fact, the Regional Development Council meetings have been said to be only "talking forums" of council members.

Regionalized administration of development and the need to treat the region as an area of integrated development where multi-sectoral and diverse efforts of regional planners and implementors are harmonized and properly orchestrated would need substantial authority. The position of the RDC Chairman could, therefore, be strengthened by properly according him the authority of an area manager. This designation implies stronger authority, control and supervision.

The other alternative to this is the creation of a regional government, where the regional head acquires political and administrative authority over the affairs of the region. In this setup, the RDC might remain the advisory development council and the NEDA its technical staff. However, the presence of a full time regional leader vested with the authority to get action on policies may bring about faster results on regional development matters.

The strengthening of the machinery for the regional development program should not end here. All related planning matters and functions from

staffing the planning offices of local and national governments, research, information and data generation and interpretation, resource allocation and budgeting, monitoring and appraising development, program coordination and project development to strengthening local finance should likewise be consolidated as a necessary corollary move.

Because the implementation of this particular program of the government is clearly in support of the countryside development course, it may be wise for the national planners, especially the Commission on Reorganization, to take a second look at the machinery and processes for implementation, for it is obvious that when the implementing organism is fraught with internal problems and difficulties, it cannot be expected to deliver the desired outputs.