

# COORDINATING ROADS AND INFRASTRUCTURE INVESTMENTS FOR DEVELOPMENT (CR+ID)

## *Working Towards More Strategic and Sound Local Public Investments*

The Australian Embassy and The Asia Foundation, through the Coalitions for Change (CfC) flagship program, hopes to effect policy reform by encouraging civil society, the private sector, the academe, and the government to work together and contribute to transformative change. One of CfC's key reform agenda is to rationalize infrastructure planning and investments through the Coordinating Roads and Infrastructure Investments for Development (CR+ID) project.

### THE PROBLEM

Infrastructure investments are critical in spurring economic activities and delivering social services. Good infrastructure such as roads, bridges, sea and airports, connects less-developed communities to the hubs of goods and services. Good infrastructure also means providing facilities to tend to the needs of industries that drive the economy.

The Philippines lags behind its ASEAN neighbors in basic infrastructure support - ranking 90<sup>th</sup> out of 144 countries in the Global Competitiveness Index (GCI) 2015-2016.<sup>1</sup> The budget expenditure of four out of five concerned government agencies responsible for road improvements is below 35 percent.<sup>2</sup> At the local level, political influence generally determines investment decisions, resulting in uneven investments for local infrastructure. Local government investments are also less than 20 percent of the required costs, resulting in poor maintenance of road assets. Programmatic funds for local roads maintenance is virtually non-existent since devolving the function in 1991. Such low investment for infrastructure undermines the country's ability to compete globally and affects doing business in the country.

COUNTRY	INFRASTRUCTURE RANK <sup>▲</sup>
Malaysia	24
Thailand	44
Indonesia	62
Vietnam	76
Philippines	90

<sup>▲</sup> out of 144 countries

While the national government is steadily increasing investments in public infrastructure, infrastructure planning remains fragmented. More work is needed to link public infrastructure with local economic development needs. Coordinated and rational investment planning among government agencies needs to be strengthened. Civil society should also be involved, particularly local businesses, as they have a unique perspective on infrastructure and road connectivity requirements to drive local economies. The local business associations' role should be maximized.

### HOW CFC MAKES A DIFFERENCE

Starting in three provinces in 2012, CR+ID is now in 15 provinces in Western and Central Visayas, Negros Island, and Caraga. To improve governance and sustain economic growth, CfC through CR+ID, aims to minimize fragmentation in public infrastructure investments by:



Bringing national agencies, local governments, and local business associations to agree on priority infrastructure investments based on key local economic drivers



Institutionalizing local businesses' participation in local economic development planning



Establishing provincial or regional databases on roads and infrastructures

<sup>1</sup> Global Competitiveness Index consists of three sub-indices: basic requirements, which includes infrastructure; efficiency enhancers; and innovation and sophistication factors. *The Global Competitiveness Report 2015-2016*. World Economic Forum 2015.

<sup>2</sup> Department of Budget and Management (DBM) 2011 to 2015 data

## KEY ACHIEVEMENTS



### Leveraged Php 2 billion in 2015 for 36 roads identified by local business associations.

Funding these roads<sup>3</sup> will improve access and stimulate economic activities in Surigao del Norte, Guimaras, Bohol, and Siquijor.



### Established database with mapped roads and infrastructures in 10 provinces using Geographic Information System (GIS).

These maps will aid long-term government planning and assessment. The Caraga map was used by the Regional Development Council (RDC) for its Roads and Bridges Investment Plan for 2016-2022.



### Built a stronger relationship with the National Economic Development Authority (NEDA) and the Department of Budget and Management (DBM)

To strengthen the planning role of the RDC and to align the budgets of national agencies - between the central and regional offices.<sup>4</sup>



### Seven (7) provinces use gender as a criterion in prioritizing investments.

Proposed roads and infrastructure investments are assessed on their potential benefits to men and women.

## PARTNERS

Coalitions for Change, through CR+ID, works with local business associations to influence the local governments, RDCs, and government agencies. CR+ID partnerships are at the regional and provincial level. CR+ID also links with LGUs, NEDA, RDCs, DBM, and the Department of the Interior and Local Government (DILG).

<sup>3</sup> Fund sources include the 2015 General Appropriations Act under DPWH, DILG (PAMANA and the Human Development and Poverty Reduction-Accelerated and Sustainable Anti-Poverty Program), the Department of Agriculture (Philippine Rural Development Project), and the Provincial Road Management Facility (PRMF) of the Australian Government.

<sup>4</sup> Achieved for Fiscal Year 2016 through the DBM's revised Budget Form C



## REGIONAL PARTNERS

Cebu Chamber of Commerce and Industry, Inc. | Iloilo Business Club | Metro Bacolod Chamber of Commerce and Industry, Inc. | Surigao Chamber of Commerce and Industry, Inc.

## PROVINCIAL PARTNERS

Aklan Chamber of Commerce and Industry | Antique Chamber of Commerce and Industry, Inc. | Agusan del Sur Chamber of Commerce and Industry Foundation, Inc. | Bohol Chamber of Commerce and Industry | Bislig City Chamber of Commerce and Industry Foundation, Inc. | Butuan City Chamber of Commerce and Industry Foundation, Inc. | CarCanMadCarLan Chamber of Commerce and Industry Foundation Inc. | Capiz-Haralan Chamber of Commerce and Industry, Inc. | Dinagat Islands Chamber of Commerce and Industry, Inc. | Guimaras Chamber of Commerce and Industry, Inc. | Negros Oriental Chamber of Commerce and Industry, Inc. | Siquijor Chamber of Commerce and Industry, Inc. | Tandag City Chamber of Commerce and Industry Foundation, Inc.

## FOR MORE INFORMATION

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