

Suggested Remarks
Steven Edminster, USAID/OEDG
Mindanao Coalition for Transparent
Accountable Governance (MCTAG) Forum
Apo View Hotel, Davao City
April 25, 2006, 6:00 p.m.

Mr. Romeo Serra, Chairman of the Mindanao
Business Council and MCTAG Project Director;

Mayor Alfonso Casura, Chairman of MCTAG;

Mayor Jerry Trenas, President of the League
of Cities of the Philippines;

Ms. Dolores Corro, Coordinator of MinCode;

Honorable City Mayors;

Dr. Steven Rood, Asia Foundation Country
Representative to the Philippines;

Representatives of government and civil
society;

Distinguished Guests;

Colleagues, Friends, Ladies and Gentlemen,

Good evening.

On behalf of the United States Government and the American People, I am delighted to have had this opportunity to join you for this event bringing together the members of the Mindanao Coalition for Transparent and Accountable Governance (MCTAG). USAID is proud to support this important activity through the Transparent and Accountable Governance (TAG) Project of The Asia Foundation.

USAID supports the Government of the Philippines in promoting more sustainable and equitable growth. We believe that USAID support in the areas of governance, economic policy reform, conflict reduction, health, environment and education are all contributing towards creating a more favorable investment climate in the Philippines, particularly in Mindanao where a majority of our resources are focused.

While there are many pressing issues in all of these sectors, governance at the city level is particularly important since cities are the engines of most countries' economic growth. Minimizing the cost of doing business and enhancing the responsiveness of city governments to business - especially when taken together with other important factors like the dynamism of the local economy, and the adequacy of infrastructure and human resources - sends a very strong message to potential investors that your cities are "open for business."

Ultimately, as your cities become more competitive and attract more business activity, the poor gain faster and greater access to the benefits of economic growth and your cities can better address the needs of their residents.

I am particularly impressed with your collective approach to improving city

governance under the TAG project. I remember about two years ago, shortly after I arrived in the Philippines, I attended a session of the Mindanao Coalition for Transparent and Accountable Governance here in Davao City. That session was very instructive for me. Much like I expect this event to unfold, representatives of the business community, non-governmental organizations and city governments from the seven cities then participating in the TAG Project were together in the same room having a very lively discussion on how to improve government services to make them more friendly to both business and the average person. I was really impressed with the candor of the discussion, that all sides were truly listening to what others had to say, and that the participants were identifying and committing to practical solutions for real problems.

One area of discussion from that meeting that sticks out in my mind, and that I have learned a great deal about since, concerns the success that many city governments in Mindanao have had in reducing red tape and the time it takes to renew business permits. I was very impressed to hear from The Asia Foundation that the average time it takes to process an application to renew a business permit in the TAG seven cities has fallen from seven (7) days in 2003 to just 4.5 hours in 2005.

I also want to take this opportunity to welcome both governmental and nongovernmental representatives from the nine new cities that have more recently joined the TAG project and are here for their first MCTAG - Butuan, Dipolog, Panabo, Oroquieta, Ozamis, Zamboanga, Malaybalay, Tacurong, and Koronadal. With TAG's help, there have been successes in the reform efforts in these cities, including a 300

percent increase in collections for business permit registrations in Zamboanga this past January, which is particularly impressive.

In closing, I want to thank those who have worked so hard to host us here today, in particular our colleagues from the Mindanao Business Council and The Asia Foundation.

And finally, I am looking forward to meeting with you and hearing your views over the next day on both the innovations and challenges to city governance here in Mindanao. We at USAID hope that you find this event a useful opportunity to network and learn from each other. Having worked on the TAG project for about 2 and a half years now, I am already very impressed with what I see. Still, I feel confident that a great deal more is achievable and that the best days of TAG and city governance in Mindanao lie not too far ahead.

Thank you and good evening.