

Oversight Agencies Sign Landmark Joint Memorandum Circular Harmonizing Procedures for Local Planning, Investment Programming, Revenue Administration and Budgeting

Four oversight agencies - NEDA, DBM, DILG and DOF - signed Joint Memorandum Circular (JMC) No. 1, Series of 2007 harmonizing guidelines for local planning, investment programming, revenue administration and expenditure management on March 8, 2007 in Cebu City. Following their oversight functions, these four agencies agreed to address the long-held clamor of local governments to address the different conflicting guidelines and different reporting systems and timetables required by National Government agencies. A product of seven months of consultations and discussions, the circular aims to: (1) provide guidelines on the harmonization and synchronization of planning, investment programming, budgeting and expenditure management, and revenue administration at the local level; (2) strengthen the interface between local government units (LGUs) and national line agencies (NLAs) and the complementation between and among all levels of the LGU in planning, investment programming, budgeting, revenue administration, and expenditure management; (3) clarify responsibilities and supportive roles of the oversight agencies following the principles of Rationalized Local Planning System (RPS) of the DILG, the Provincial Planning and Expenditure Management (PPEM) of the NEDA, the Updated Budget Operations Manual (UBOM) of the DBM and the upcoming local revenue guide of the DOF.

The JMC is also considered as the springboard for addressing, among others, the multiplicity of plans being formulated by the LGUs, reinforcing plan-to-budget linkages, building up the Local Development Councils as the mandated planning structure at the local levels, mainstreaming National Line Agencies in the local planning process and consolidating efforts towards establishing and strengthening horizontal linkages among various levels of government.

The Joint Memorandum Circular can be downloaded at www.pdf.ph/decentralization.4.htm.

Back-to-back with the signing of the Joint Memorandum Circular, the League of Cities of the Philippines (LCP), as implementing agency of the City Development Strategies in the Philippines, a project funded by Cities Alliance, also forged a Memorandum of Understanding (MOU) with the Working Group on Decentralization and Local Government that will ensure consistency in the activities of the CDS with the provisions of the JMC. Mayor Jerry Treñas, as President of LCP and Undersecretary Wencilito Andanar, representing the DILG which is the Lead Convener of the Decentralization Working Group signed the MOU on the same day.



Witnessing the signing of the JMC and the MOU circular were representatives of the LGU Leagues led by Governor Rosette Lerias, Governor Daisy Fuentes from the League of Provinces, Mayor Jerry Treñas and Mayor Guico. Others present were Mr. Alex Raoul Villano, Assistant Secretary-General of the League of Provinces of the Philippines, and Ms. Li-Ann de Leon, Executive Director of the League of Municipalities of the Philippines. Witnesses from the development partners' side were led by Mr. Joachim von Amsberg, Country Director of the World Bank and Co-Chair of the PDF and included representatives from the Asian Development Bank and the Canadian International Development Agency.

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