

# 85% of Yolanda funds liquidated: DILG

*Christopher Lloyd Caliwan*

6-7 minutes



*(File photo)*

**MANILA** -- The Department of the Interior and Local Government (DILG) on Friday clarified that the bulk of funds disbursed for rehabilitation projects in areas affected by the onslaught of Typhoon Yolanda (international name Haiyan) in 2013 were properly liquidated.

In a press conference on Friday, DILG Undersecretary and Spokesperson Jonathan Malaya read the statement of Secretary Eduardo M. Año stating that some PHP3.455 billion, or 85 percent out of the total PHP4.055-billion fund under the Recovery Assistance for Yolanda (RAY) program, have already been liquidated by concerned local government units (LGUs) and

the Department of Public Works and Highways (DPWH).

He said that the remaining 15 percent, amounting to PHP600.67-million, that remains unliquidated as of July 4 mostly represented ongoing projects currently being implemented by the LGUs that is being closely monitored by the Department.

“There have been significant accomplishment in the implementation of the Yolanda projects in the concerned LGUs from January to June this year that were not captured in the Commission on Audit (COA) report whose cutoff date is December 31, 2018,” Malaya said.

“We want to make it clear that while the funds were appropriated by Congress to DILG, we transferred this to the implementing agencies, DPWH and the LGUs, thus, the task of liquidating the funds lies in the shoulders of the implementing agencies.

Nevertheless, we are still actively and continuously monitoring and coordinating with the DPWH and LGUs to fast track the liquidation of the funds entrusted to them,” he added.

Of the PHP600.67-million remaining unliquidated funds, PHP219 million is with the DPWH and PHP381.035 million with the LGUs, which are mostly ongoing projects under RAY Batches 2, 3, and 3A.

“The thousands of RAY projects were started and completed in varying periods reckoned on the dates the funds were released by the Department of Budget and Management (DBM) and the subsequent submission of liquidation reports will, of course, depend on the period of implementation,” said Malaya.

To date, the DPWH has completed all of their 25 RAY projects while the LGUs have completed 4,403 projects. There are currently 370 projects undergoing implementation, 25 on procurement process, and six undergoing preparation of

documentary requirements.

The DILG spokesperson added that while all the DPWH projects have been completed, they are still waiting for the liquidation reports from their regional field offices before they can forward their national report to the DILG.

To help fast track fund utilization by LGUs, Malaya said Año has ordered to send Finance Monitoring and Tracking Teams together with Engineers and Accounting staff to Yolanda-affected LGUs, which have already completed the repair, rehabilitation or reconstruction of RAY projects in their respective jurisdictions. This will be done in coordination with their respective COA offices.

According to Año, the process of liquidation takes time and there are times when the implementing LGUs have already submitted their liquidation reports to their respective COAs but failed to forward a copy of their report to the DILG for reconciling of accounts considering that they are also implementing a number of other projects funded by other national government agencies.

“There are instances when the implementing offices failed to furnish the DILG with their liquidation reports submitted to their respective COA offices, hence the disparity of liquidated amounts,” he said.

In its 2018 annual audit report, the state audit body flagged the DILG for its failure to liquidate the PHP1.059-billion Yolanda fund as of December 2018, covering PHP219-million RAY funds transferred to the DPWH and the PHP839.877 million transferred to LGUs.

Started in 2014, the RAY project covers the repair, rehabilitation, and reconstruction of government facilities damaged by Typhoon Yolanda such as municipal halls, public markets, civic centers,

barangay facilities and similar infrastructure using the Build Back Better designs.

## **Other procurements**

The DILG also said that its procurement of goods and services faithfully complied with COA circulars, as well as procurement rules and regulations.

The PHP2.93-million expenditures for fuel, oil, and lubricants were utilized for the 23 pooled motor vehicles owned by the Department, reimbursement of fuel expenses of officials with assigned vehicles in the performance of their official functions, and gasoline allocation for trainings and seminars of operating units.

“As recommended by COA, the Department will adopt the Fleet Card Program/ Fuel Card System for the pooled vehicles of the Department by next year as a system to effectively monitor fuel utilization,” said Año.

The DILG is also now in the process of preparing the necessary documents such as Memorandum of Agreement, Travel Ticketing Registration Form, Agency Procurement Request, etc. in order to utilize the Government Fare Agreement (GFA) as required under a Department of Budget and Management circular.

The budget circular prescribing the use of GFA was issued only last December 11, 2017 and the agency needs to comply with a lot of requirements and prepare the necessary documents for the GFA.

As for the COA findings in DILG regional offices, the DILG secretary “assured COA and the public in general that the DILG is committed to faithfully adhere with the procurement process as

we are continuously conducting seminars and trainings to our people to ensure greater compliance with relevant procurement laws, rules and regulations.” **(PNA)**