



Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
DILG-NAPOLCOM Center, Quezon Ave., cor. EDSA, Quezon City
www.dilg.gov.ph

OFFICE OF THE SECRETARY

MEMORANDUM CIRCULAR

No. _____

TO : ALL UNDERSECRETARIES, ASSISTANT SECRETARIES, BUREAU, SERVICE & REGIONAL DIRECTORS, LGA AND EMERGENCY 911 EXECUTIVE DIRECTORS, HEADS OF PMOs OF LOCALLY-FUNDED PROJECTS AND ALL OTHERS CONCERNED

SUBJECT : POLICY GUIDELINES ON THE PREPARATION AND IMPLEMENTATION OF FY 2019 DILG-LG SECTOR PLANS AND PROGRAMS

DATE : JANUARY 2019

1.0 INTRODUCTION

The DILG is firm with its commitment to bring the government closer to the people by implementing programs, projects and initiatives that are responsive to their needs to sustain peaceful, progressive, resilient and happy communities. For FY 2019, this leadership will effectively pursue initiatives that are aligned with the thrusts and priorities of the Administration.

2.0 PURPOSE

This Circular is issued to guide all DILG-LG Sector offices/operating units in the operationalization of plans and priorities of the Department for FY 2019 through the implementation of various programs, projects and activities (PPAs), including utilization of LGU performance metrics to ensure the delivery of the Department's desired results on improving local governance.

3.0 FY 2019 DILG-LG SECTOR THRUSTS AND PRIORITIES

All LG Sector operating units are hereby directed to align their plans and initiatives to the following thrusts and priorities of the Department for FY 2019 which are geared towards building on the gains of good governance:

- 3.1 Support government efforts and mobilize and exact accountability from local officials in the fight against illegal drugs, criminality, and violent extremism and in ensuring internal security and public safety

- 3.1.1 Strengthen the capacities of LGUs and local institutions such as Peace and Order Councils (POCs) and Anti-Drug Abuse Councils (ADACs) at the provincial, city, municipal and barangay levels
- 3.1.2 Intensify advocacy campaign and engage communities in the fight against illegal drugs, criminality and violent extremism
- 3.1.3 Give former rebels and their families a new lease on life through the Enhanced Comprehensive Local Integration Program (E-CLIP) of the government and find ways to facilitate/shepherd localized peace talks with rebel groups
- 3.1.4 Hasten response to emergencies through 911 Emergency Service to ensure public safety
- 3.2 Sustain the drive for good local governance and heighten efforts to deter corruption at the local level
 - 3.2.1 Continue to raise the standards of the Seal of Good Local Governance (SGLG) to inspire LGUs towards exemplary public service to their constituents
 - 3.2.2 Incentivize good governance performance of LGUs through the Performance Challenge Fund (PCF) and Lupong Tagapamayapa Incentives and Awards (LTIA)
 - 3.2.3 Scale-up the Bantay Korapsyon Program to raise LGU and public awareness on anti-corruption laws and policies and institute fact-finding and case build-up against erring local officials who are found to be engaging in graft and corrupt practices
- 3.3 Deepen and strengthen citizen participation and engagement in local governance and the alignment of national government plans with local government and people's needs
 - 3.3.1 Ensure full functionality of Local Development Councils (LDCs) and the alignment of local development plans and investment programs with the Sustainable Development Goals (SDGs), Philippine Development Plan (PDP) and Ambisyon Natin 2040
 - 3.3.2 Engage the citizens in monitoring of projects at the local level to ensure their timely and proper implementation and in gathering feedback on the quality of services provided by the latter through the conduct of Citizen Satisfaction Index Survey (CSIS) and implementation of civic technology initiatives
 - 3.3.3 With DILG as Chair of the Cabinet Cluster on Participatory Governance pursuant to Executive Order 24, continue to lead the Administration's thrust to bring people closer to the government by providing avenues for public consultations and dialogues and make people's voice heard and matter

3.4 Empower LGUs to provide basic social services to the people through local infrastructures and facilities

- 3.4.1 Assist 157 waterless municipalities and barangays in providing safe and potable water supply to their constituents through the SALINTUBIG Program
- 3.4.2 Assist 1,373 Municipalities to implement and hasten timely completion of projects (e.g. evacuation centers and DRR-related equipment, local roads and bridges, water system facilities and rainwater catchment facilities, small water impounding projects, and public/farmers' markets) identified by the people themselves through the LDCs
- 3.4.3 Strengthen the resettlement governance capacity of 12 LGUs where the eighteen (18) resettlement sites identified in the Oplan Likas Program are located and support the provision of community facilities to address disaster risk reduction and management, solid waste management and peace and order concerns to help uplift the living conditions of families relocated in these sites

3.5 Develop LGU capacities to attract business and investments through ease of doing business and improving road infrastructures and connectivity critical for transport and access of goods and services

- 3.5.1 Provide financial subsidy and capacity building to all 81 Provinces for the repair, rehabilitation and improvement of provincial roads and bridges and on Local Road Management (LRM) and Public Financial Management (PFM)
- 3.5.2 Improve local economic development through Public-Private Partnership and ease the way of doing business in the LGUs by streamlining their Business and Construction Permitting and Licensing System

3.6 Boost LGU capacity to protect the environment and prepare and withstand disasters and calamities

- 3.6.1 Improve LGU capacity on disaster preparedness through Operation LISTO and various capacity development interventions, and the development of effective systems and tools in the conduct of disaster preparedness audit.
- 3.6.2 Ensure that local chief executives are taking the lead in the preparations and that they are on top as well in looking out for the welfare and safety of their constituents before, during and after disasters

- 3.6.3 Monitor and ensure LGU compliance with various environmental laws, including but not limited to Manila Bay and areas with high tourism potential and make appropriate actions for those found non-compliant with the law

3.7 Heighten efforts to effect local governance reforms

- 3.7.1 Pursuant to the Office of the President Memorandum Circular No. 52, facilitate the conduct of consultations with all sectors and public information drive to raise public awareness on Federalism and constitutional reform
- 3.7.2 Step up advocacy against corrupt, and crime-and drug-linked candidates in the 2019 mid-term elections and ensure honest, peaceful and orderly elections.

3.8 Boost the productivity of our own people, especially in the field, and ably support our priority programs/projects for better and effective service delivery by:

- 3.8.1 Continuous development and enhancement of various information systems (i.e. LGU 201 Profile, Executive Information, Barangay Information, Programs and Projects, Anti-Illegal Drugs Information and other communications system)
- 3.8.2 Streamlining and harmonization of the Department's internal processes and procedures to ease way of doing things and improve productivity
- 3.8.3 Undertake the mandatory drug-testing of all personnel at the central and regional/field levels
- 3.8.4 Carry out competency-based learning and development interventions for all DILG personnel to enable them to perform in accordance to the set core, technical and leadership competency standards
- 3.8.5 Devise mechanisms/measures to institutionalize meritocracy and excellence in human resource management consistent with the program of the Civil Service Commission (CSC)

4.0 Plan and Program Preparation and Implementation Guidelines

- 4.1 Plans and PPAs as well as their coverage should be anchored on the Department priorities and likewise, attuned and responsive to the actual situation/condition prevailing in the localities and regions. Regional Offices, shall, therefore ensure interconnectedness and coherence of the Department's programs with relevant programs of other government agencies in their areas.

4.2 In view of the cash-based budgeting approach that is being adopted this year, all offices/operating units should **achieve the following budget utilization rate (disbursement)** for each quarter to reach 100% disbursement rate by end of the year.

- 1st Quarter – 25 %
- 2nd Quarter – 50 %
- 3rd Quarter – 80 %
- 4th Quarter – 100 %

4.3 Program Designs and corresponding implementation guidelines shall be prepared not later than 04 February 2019 by the following lead offices for coherence of various Department initiatives:

Outcome Area and Program	Lead	Co-Lead
Accountable, Transparent, Participative and Effective Local Governance • Creating High Performing and Corrupt Free LGUs	BLGS	LLLS
Peaceful, Orderly and Safe LGUs • Building Peaceful, Orderly and Safe Communities	BLGS	NBOO
Environment Protective, Climate Change Adaptive and Disaster Resilient LGUs • Building Climate and Disaster Resilient Communities	LGA	BLGD
Socially-Protective LGUs • Ensuring Effective, Responsive and Resilient Social Protection Services and Local Infrastructure Facilities	OPDS	SLGP-PMO
Business-Friendly and Competitive LGUs • Creating Vibrant and Productive Local Economies	BLGD	LGA
Strengthened Internal Organizational Capacity • Strengthening Internal Capacity	LGA	AS

The approved Program Designs shall be among the main bases/references in the preparation of the FY 2019 Annual Operations Plan and Budget and other required documents for procurement and fund releases.

4.4 All concerned operating units shall ensure that the physical and financial targets indicated in the Budget Execution Documents (BEDs) submitted to DBM and 2019 GAD Plan and Budget approved by the Philippine Commission on Women (PCW) are incorporated and/or consistent with the Program Designs and FY 2019 Annual Operations Plan and Budget (OPB).

4.5 Further, a **Calendar of Activities** which will comprise of the major events for 2019 and their corresponding schedules to be participated in by either Central or Regional offices, shall be prepared and disseminated **not later than February 15, 2019** with the following policies:

- 4.5.1 The above lead offices shall ensure that the sequence of events in their assigned Programs are in order and prevent overlapping in the schedules of attendees from central and regional/field offices.
 - 4.5.2 Timelines set in the said Calendar shall be strictly adhered to facilitate timely conduct of activities and utilization of funds. Should there be adjustments in the schedules and/or attendees, concerned offices shall seek the approval of their supervising officials (Undersecretaries and/or Asst. Secretaries) and upon approval, immediately update the Calendar and communicate to concerned attendees such changes.
 - 4.5.3 The online Calendar of Activities initially developed by ISTMS shall be immediately made accessible to all and shall be further enhanced in consultation with various offices.
- 4.6 On the provision of sub-allotments to Regional offices, the following shall be observed:
- 4.6.1 The downloading of corresponding funds to Regional Offices shall adhere to the Program Designs and relevant guidelines for the implementation of PPAs. Preparation of Notice of Fund Transfer (NFT) pursuant to Memorandum dated 31 July 2018 re: Preparation of Activity Design and Post Activity Report shall likewise be observed. The policy ***“no implementation guidelines and/or duly signed NFT, no sub-allotments”*** shall be strictly implemented.
 - 4.6.2 Downloading of funds to Regional Offices shall be done only until September 2019. For any valid reason that downloaded funds are not expended fully, supervising officials of concerned offices shall be immediately informed regarding the excess amount for guidance on how such funds will be utilized.
 - 4.6.3 Procurement activities funded by sub-allotments from the Central Office shall be included in the operating unit’s indicative Annual Procurement Plan (APP) per DBM Circular No. 2018-12 issued on November 21, 2018 regarding the conduct of Early Procurement Activities for FY 2019.
- 4.7 The Central and Regional Offices shall prioritize the use of their regular funds for the implementation of priority programs/projects mentioned above without specific appropriations in the GAA 2019, and shall find other sources, when necessary, to augment the financial requirements for the same.
- 4.8 Concerned offices shall, likewise ensure compliance with the General and Special Provisions stipulated in the 2019 GAA.
- 4.9 All offices/operating units shall strictly abide by the provisions of the Procurement Law, including corresponding timelines as it prescribes.

4.10 Preparation and submission of 2019 Plans shall be made on the following schedule and conditions:

- 4.10.1 All offices shall submit their final 2019 Annual OPB (Office and Locally-Funded Project) **not later than 08 February 2019** to Planning Service using the prescribed template in hard and soft copies (excel and PDF via e-mail to **psdilg_ppd@yahoo.com**) using the prescribed OPB Form (Annex A).
- 4.10.2 In the case of locally-funded projects, which shall be prepared by the lead offices at the central level, upon submission of the OPB to Planning Service, it is understood that targets and fund requirements, including RO sub-allotments, have already been agreed upon by implementing offices both at the central and regional levels. Close consultation/coordination shall therefore be made between and among central and regional offices in the preparation of the OPB for LFPs.
- 4.10.3 Pending the release of the 2019 General Appropriations Act (GAA), budget allocation for PPAs shall be based on DBM Circular Letter No. 2019-1 dated January 3, 2019 re: Release of Funds for the 1st Qtr of FY 2019.
- 4.10.4 In the event of changes in the budget and/or inclusion of additional locally-funded projects based on the 2019 GAA, concerned offices shall submit their revised OPB two (2) weeks upon the issuance of the said Act.
- 4.10.5 To facilitate 100% delivery of physical and financial targets before the year ends, catch-up planning will be done starting April 2019, in time for implementation in the 2nd half of the year.
- 4.10.6 Should there be necessary changes/revisions in the middle of plan implementation, the concerned office shall seek the approval of Top Management prior to their execution, using the attached template (Annex B). Upon approval, this shall be communicated to Planning Service and other implementing units at the central and regional levels for information and appropriate adjustments in their respective plans as well.
- 4.10.7 On the OPB for targets/commitments not delivered as of December 2018 using 2018 unobligated balances, provisions in the Memo dated 09 January 2019 re Guidance on the Implementation of Joint Resolution No. 03 on the Extension of Validity and Period of Availability of 2018 Appropriations shall be adhered to.

5.0 Plan Implementation Monitoring and Reporting

- 5.1 All offices/operating units shall ensure the achievement of physical and financial targets indicated in the Program Designs and annual OPB.

5.2 Given the cash-based budgeting approach and the strengthened monitoring system of the Department, the Regional and Field Tracking Team (RFTT) led by the Financial Management Service and Planning Service will closely monitor the budget utilization rate and physical accomplishments, respectively, of all projects and offices to ensure 100% delivery of targets by end of 2019. Thus, all operating units shall submit their Monthly Activity Tracking Report (MATR) using the prescribed template (Annex C) every 15th of the ensuing month via e-mail at srd_psdilg@yahoo.com. An illustration of the process flow of the tracking system is attached (Annex D).

5.3 Accomplishment Reports shall be submitted on the following schedules:

5.3.1 Quarterly Accomplishment Report: Every 15th working day of the ensuing quarter

5.3.2 Budget Accountability Report: Every 1st week of the ensuing quarter

5.4 A feedback system shall be put in place to be led by the RFTT and corresponding quarterly (or monthly, as deemed necessary) performance dialogues shall be conducted with Bureau and Regional offices to ensure that targets are achieved.

For compliance.

EDUARDO M. AÑO
Secretary