

DOF Message for the 2016 Philippine Local Governance Congress

Signing of the DILG-DBM-NEDA-DOF Joint Memorandum Circular No. 1-2016

10:40am | 27 October 2016 | Sofitel Philippine Plaza Manila

As we celebrate the Local Government Month this October, the Department of Finance (DOF) is pleased to join the Department of the Interior and Local Government (DILG), the Department of Budget and Management (DBM), and the National Economic and Development Authority (NEDA) in issuing the Joint Memorandum Circular No.1-2016 to set the framework and policy for a more coordinated approach towards improving local government units' public financial management, particularly in ensuring harmonized and synchronized policies, systems and procedures in planning, budgeting, investment programming, and resource mobilization.

By signing and issuing this JMC, more work needs to be done to fully operationalize it, as much is expected from this policy. The DOF, through the Bureau of Local Government Finance, thus, commits to continuously improve and modernize revenue operations and resource mobilization of LGUs. Specifically, we will continue to develop and implement new plans and programs to capacitate the LGUs on local treasury and assessment operations. In the next few months, we aim to officially issue the updated Local Treasury Operations Manual and the Manual for Real Property Appraisal and Assessment Operations. We will also release the updated LGU Fiscal Sustainability Scorecards to help LGUs benchmark and improve their performance, and thereafter we will rollout new tools on reporting, performance appraisal, examination and training programs for treasurers, capacity building for assessors, and updating of guidelines in loan certification, creditworthiness index, among others.

We thank the DILG and the DBM for leading this program, and the European Union for the assistance under the LGU PFM Project, and we hope we could engage broader co-operation with development partners for the new policies, systems and tools that we are rolling out. With this JMC and the commitment of the DOF, we hope that the local governments will be fully supported and guided by well-coordinated oversight agencies, thus enabling the LGUs to be effective and genuine partners in nation building. Our support to the Synchronized Local Planning and Budgeting Calendar is a testament to this commitment in fostering harmonized, integrated and synchronized local development process.

In line with the President's 10-point Socioeconomic Agenda, the DOF is committed to ensure that parallel reforms in local PFM are also pursued towards inclusive growth and good fiscal governance.

Thank you and congratulations!