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This newsletter is an official quarterly publication of the Local Governance Reform Project (LGRP) under the Bureau of Local Government Finance (BLGF) which aims to present the project's activities, milestones, and initiatives to improve local revenue mobilization, upscale local public service delivery, and strengthen local governance. The LGRP implementation is from FY2021 to FY2024.

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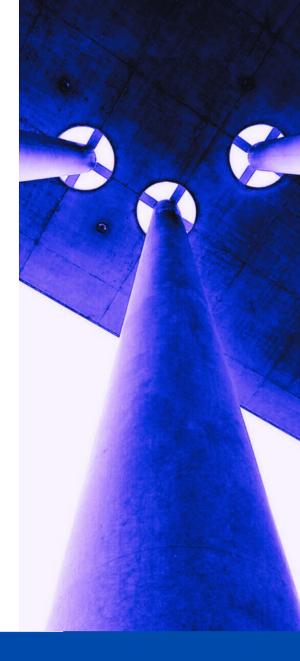
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Local Governance Reform Project (LGRP) At a Glance

The Local Governance Reform Project (LGRP) is a loan project funded by the Asian Development Bank (ADB) that aims to provide support to the Government of the Philippines by improving the administration and management of the Real Property Tax at the local level. Real Property taxes being a major contributor to local government's own-sourced revenues, have a huge potential to provide LGUs with more resources to enable them to deliver a wider range and better quality of public services. The theory of change is that by strengthening local revenue generation and management, local governments can provide better local service delivery and strengthen local governance.

The expected impact of the project will be the enhanced public service delivery that is more efficient, effective, and equitable. At the national level, the intended outcome is a better, more facilitating policy and administrative environment for LGUs to institute reforms in real property valuation and assessment and to increase own-sourced revenues from real property taxes.



THE PROJECT

The LGRP focuses on improvements to the administration and management of the real property tax (RPT). The four-pronged objectives of LGRP seek to (1) support institutional development and policy formulation for property valuation, (2) implement a property tax valuation database and information systems, (3) enhance the RPT administration for selected local government units (LGUs), and (4) professionalize local assessors and strengthen the capacity of LGUs.

With these outputs, the project is expected to strengthen capacities at the institutional, knowledge and skills level through enhanced structures, policies, systems, tools and competencies at both the national and local government level on RPT. The LGRP is also foreseen to improve collection coverage, collection efficiency and cost of collection.

LGRP OUTPUTS

Institutional development and policy support for property valuation strengthened.

Real property taxation of selected LGUs enhanced.





Property tax valuation database and information systems implemented.

Local assessors professionalized and capacity of LGUs strengthened.





THE PROJECT MANAGEMENT UNIT

To support in the implementation and monitoring of the LGRP activities, KPMG in the Philippines (R.G. Manabat & Co.) has been engaged by the BLGF as the Project Monitoring Unit (PMU). The PMU is composed of a team of experts that will be working with the BLGF Project Management Office to provide appropriate technical assistance and ensure the successful delivery the project's outputs and deliverables.



BLGF ENGAGES R.G. MANABAT & CO. FOR LGRP MANAGEMENT

The Bureau of Local Government Finance (BLGF) and R.G. Manabat & Co. (KPMG in the Philippines) signed a contract for the Loan No. 3944 PHI: Local Governance Reform Project (LGRP) funded by the Asian Development Bank (ADB) last 07 December 2021 at the EDPC Building, BSP Complex, Roxas Boulevard, Manila.

Executive Director Niño Raymond B. Alvina and Deputy Executive Director Atty. Flosie Fanlo-Tayag, signed and represented for the BLGF, while R.G. Manabat & Co. was represented by Partner and Head of Management Consulting Services Ms Imelda H. Corros and Stakeholders Engagement and Communications Expert Ms Yolanda A. Fernandez.

With the forged partnership, Executive Director Alvina mentioned in his opening message that he will expect improvements in valuation and property tax administration in the country.

"We believe that under this administration and through this investment that the Philippine government has made, the short-term benefit may not be felt right away but we know this will spell a huge of difference in the next 5 to 10 years if we are successful together towards the attainment of the outcome/output/objectives project. So, looking forward to a very successful partnership with R.G. Manabat and hoping that we will ensure a very high standard of project implementation and high-quality outputs from this endeavor," Executive Director Alvina added.

Read more: https://blgf.gov.ph/blgfengages-r-g-manabat-co-for-lgrpmanagement/



LGRP PLANNING CONFERENCE

To kick-start the implementation of the LGRP, a Planning Conference was held in December 16-17, 2021, in Clark, Pampanga as a way forward to discuss the plans and strategies in implementing the LGRP. The key officers and relevant staff of the Bureau of Local Government Finance (BLGF) Central, the Project Steering Committee (PSC), the Project Management Office (PMO), the Project Management Unit (PMU) and BLGF Regional Directors were in full attendance to tackle the project's logical framework. The conference also included the discussion of the Philippine Land Management Reform Roadmap and its relevance to the LGRP, the procurement plan and implementation updates of the project including mainstreaming of the Gender and Development (GAD) for the project.



BLGF HOLDS FIRST LGRP PLANNING CONFERENCE

The Bureau of Local Government Finance (BLGF) Central and Regional Directors, officials, and members of the **Project** Committee (PSC), Steering **Project** Management Office (PMO), and Project Management Unit (PMU) represented by R.G. Manabat & Co., conducted the 1st Local Governance Reform Project (LGRP) Planning Conference on 16 and 17 December 2021 at the Royce Hotel and Casino, Clark Freeport Zone, Mabalacat City, Pampanga.

Executive Director Niño Raymond Alvina, in his opening message, appreciated the help and support of the Asian Development Bank (ADB) and underscored the need to level off expectations and align the goals and objectives in the LGRP.

"We can achieve the goal to improve the capacity of the local government units (LGUs) in the areas of revenue generation and local governance, in furthering their local fiscal autonomy and support to their administrative autonomy, to set a bigger and stronger foundation for central decentralization," Executive Director Alving said.

Read more: https://blgf.gov.ph/blgf-holds-first-lgrp-planning-conference/



IN THE LOOP: BLGF REPORTS 6TH QUARTERLY LGRP PROGRESS

Onwards the enhancement of local public service delivery and strengthening of local governance, the Bureau of Local Government Finance (BLGF) reports the updates on the Local Governance Reform Project (LGRP) as of March 31, 2022.

According to the LGRP 6th Quarterly Progress Report, the project registered a 10.08% accomplishment rate, a 1.96% increase from the previous quarterly report. The bulk of the accomplishment is attributed to project management activities at 6.24%. It is anticipated that the project's accomplishment rate will further increase once the Finance, Administrative and Technical Support (FATS) and the Individual Consultants (ICs) have been procured, and the Terms of Reference for the procurement of the services for the construction of Valuation Training Centers is approved.

The FATS is a hiring firm that will provide all the project support and technical staff for the LGRP. The ICs are the individual experts that will be hired to support BLGF in the implementation and monitoring of the project's activities of the LGRP.

The BLGF is optimistic that the total own-source revenues of the LGUs can be expected to increase at Php 255.98 Billion or 30% over the 2017 baseline of Php 206 Billion.

OUTPUTS	Actual Progress	Weighted Progress
Project Management Activities	42.00 %	6.24%
 A Output 1 Institutional Development and Policy Support for Property Valuation Strengthened 	7.56 %	1.99%
Output 2 Property Tax Valuation Database and Information Systems Implemented	1.70 %	0.59%
 Output 3 Real Property Taxation of Selected LGUs Enhanced 	0.35 %	0.56%
 Output 4 Local Assessors Professionalized and Capacity of LGUs Strengthened 	5.00 %	0.70%









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