

**LGRP**  
LOCAL GOVERNANCE REFORM PROJECT

# NEWSLETTER

## Q1 2023

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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# Keeping track: LGRP's 10th Progress Report

In the 10th Quarterly Progress Report (QPR) submitted by the Bureau to the Asian Development Bank (ADB), it was reported that the Local Governance Reform Project (LGRP) attained a 19.244% Accomplishment Rate representing a 3.258 % increase from the previous quarter. The progress is attributable to the various activities undertaken for Outputs 2 and 3, and the Project Management Administration.

## Fund Utilization

Actual expenses recorded and paid as of 31 March 2023 are US\$604,826.38 (exclusive of taxes) which is 35.1 % of the total released Loan Proceeds of USD 1,723,266.54.



### Output 3: Enhance the RPT administration for selected LGUs

The completion of the Memorandum of Agreement (MOA) signing by 20 Pilot LGUs in early March led to a significant increase of 0.908%. Additionally, an online meeting was held with the BLGF regional office to execute guided questionnaires for updating the Schedule of Market Values (SMVs) and General Revision (GR). Furthermore, a site validation was conducted at Calapan City, and Output 4 collaborated in the design of coaching and mentoring sessions for SMV updating. These actions demonstrate a proactive approach to achieving the objectives and improving the efficiency of the project.



### Project Management Administration

The project made significant progress by contracting two highly skilled Individual Consultants for Output 1, resulting in a 0.691% increase in productivity. In addition, two quarterly newsletters and updated the Stakeholder Engagement and Communication (SEC) plan, were successfully published and submitted to the Management. The regular conduct of PMO-PMU update meetings ensured the smooth project management and contributed to the preparation of the FY 2023 1st QPR for submission to ADB.



### Output 2: Property tax valuation database and information systems implemented

The 0.677% progress are attributed to the successful publication of the Real Property Information System (RPIS) Terms of Reference (TOR) in the ADB CMS portal; successful conduct of the Virtual Roadshow for Prototype LGUs on March 3rd, which resulted in the signing of a Memorandum of Agreement (MOA) with them on May 11th; finalization of the evaluation of the shortlisted Computer Aided Mass Appraisal (CAMA) w/ GIS Firm; and fruitful coordination with NGA partners for the development of two IT systems, with a forthcoming MOA scheduled on May 11th.



# Workshop on the Establishment of a Baseline for the Formulation of Competency Framework for the Local Assessors of Mindanao

The Bureau of Local Government Finance (BLGF) Local Governance Reform Project (LGRP) Component 4 Team, in collaboration with the LGRP National Training Team, the CPRM Consultants, Inc. (CPRMCI) conducted a Workshop on the Establishment of a Baseline for the Formulation of Competency Framework for Local Assessors of Mindanao from 26 to 27 January 2023, at the Golden Prince Hotel and Suites, Cebu City.



The workshop provided a platform for local assessors to delve into critical ideas and generate inputs essential to developing the Competency Model for Local Assessors. During the session, participants discussed various aspects, including the full devolution's challenges and opportunities, local economic recovery, and overall well-being and resilience-building.

The event was structured to focus on the local assessors' roles, functions, and expected behaviors and practices, which covered a range of topics such as discovery and classification, tax mapping, valuation, appraisal, assessment operations, records management, policy development and research, digital solutions/systems, and leadership. The inputs generated from these workshops have been instrumental in formulating the Competency Model for Local Assessors.



Read more: <https://bit.ly/3oh0qGX>

# Meeting of the Project Steering Committee (PSC) for the Local Governance Reform Project

The 7th Project Steering Committee Meeting, chaired by OIC Undersecretary of Revenue and Local Finance Group and PSC Chairperson Dakila Elteen M. Napao, convened on 17th February 2023 to discuss Project Implementation Updates for the Local Governance Reform Project.

At the meeting, Acting Deputy Executive Director Armi M. Advincula presented a report on the project's physical accomplishments as of the December 2022 reporting period. The report indicated that the project had achieved a physical accomplishment rate of 15.986%, representing a quarter-on-quarter increase of 1.691%. By January 2023, the Local Governance Reform Project's physical accomplishment rate had increased to 16.223%, mainly due to significant activities such as the endorsement of the House of Representatives of the RPVAR Bill (HB 6558) to the Senate, approval of the Terms of Reference for the Computer-Assisted Mass Appraisal with Geographic Information System (CAMA with GIS), and the completion of three (3) consultation workshops with LGU assessors to build the Competency Framework for Output 4.

Based on the DBM's issued Forward Obligation Authority (FOA) and disbursements for the year 2022, the Local Governance Reform Project's financial performance increased to 8.15% for GOP and 12.32% for Loan Proceeds compared to the previous year's 0% for GOP and 0.02% for Loan Proceeds. However, as of January 2023, the percentage of total actual disbursements over total allotment for the project is 1.25% for GOP and 1.93% for loan proceeds. Despite these financial figures, Acting Deputy Executive Director Bobis conservatively projected a physical accomplishment rate of 57.225% by the end of the current fiscal year. This projection indicates a significant year-on-year increase of 41.239%, which is by a factor of 257.97%.



During the 7th PSC Meeting, the final list of 20 Pilot LGUs for Output 3 was formally presented, along with the shortlisted LGUs for the prototype LGUs for Output 2. The meeting also discussed the adoption of partner State Universities and Colleges (SUCs), which was the latest directive from the Secretary of Finance.



# DOF Secretary Diokno leads the Ceremonial MOA Signing of Pilot LGUs and MOU Signing of Partner SUCs for the LGRP

On 02 March 2023, the Department of Finance (DOF) in Manila witnessed the ceremonial signing of a Memorandum of Agreement (MOA) with twenty (20) pilot local government units (LGUs) and a Memorandum of Understanding (MOU) with two (2) academic partners. The objective of the MOA and MOU is to enhance the revenue generation of the selected LGUs and support the implementation of Outputs 3 and 4 of the Local Governance Reform Project (LGRP). The signing was spearheaded by Secretary Benjamin E. Diokno, emphasizing the government's commitment to strengthening local government capacity and improving overall governance.



During the event, Secretary Benjamin E. Diokno delivered a message affirming his commitment to improving the operating environment for real property tax generation and the enhancement of management tools of local governments. He also pledged to support the development of the skills and competencies of local assessors and treasurers ahead of the 2025 elections. Attendees shared a positive outlook on the project, highlighting its potential to drive progress in real property valuation and tax administration.

The signing of the MOA and MOU events is a significant step towards achieving the LGRP's objectives of enhancing the real property taxation capabilities of the pilot LGUs, professionalizing local assessors, and generating tools to facilitate the implementation of property valuation reforms and advocacies. By improving domestic resource mobilization, these efforts have the potential to uplift the lives of respective constituencies and replicate best practices nationwide.



Read more: <https://bit.ly/3o9u4xY>

# LGRP Output 2

## Virtual Roadshow with Prototype LGUs

The Bureau of Local Government Finance (BLGF) organized a Virtual Roadshow via Zoom Meeting on March 3, 2023, for the LGUs shortlisted for the property tax valuation database and information systems component under Output 2 the Local Governance Reform Project (LGRP). The event aimed to familiarize the LGUs with the Real Property Information System (RPIS) and Computer Assisted Mass Appraisal (CAMA) System and guide them in submitting their Expression of Interest (EOI) as Prototype LGUs for Output 2.

During the virtual roadshow, the BLGF emphasized the project's objectives under Output 2, including promoting accuracy and timeliness in real property valuation, enhancing transparency and accountability in reporting real property-related transactions, and ensuring that every LGU has a single Schedule of Market Values (SMV) compliant with the Philippines Valuation Standards for taxation purposes.



Under Output 2, the BLGF will collaborate with several government agencies and partners, including the Department of Information and Communications Technology (DICT), Land Registration Authority (LRA), and Bureau of Internal Revenue (BIR), for data sharing agreements. The Virtual Roadshow was an essential step towards achieving the LGRP's goals of enhancing the real property valuation system's quality and efficiency, promoting transparency and accountability in LGU transactions, and improving domestic resource mobilization.





# DOF, BLGF push for the Real Property Valuation and Assessment Reform anew at the 2nd Senate Committee Hearing

In the 2nd Senate Committee Hearing conducted on March 9, 2023, at the Senate of the Philippines, the Department of Finance (DOF) Fiscal Policy and Monitoring Group (FPMG) Undersecretary Maria Cielo D. Magno and Bureau of Local Government Finance (BLGF) OIC Executive Director Ma. Pamela P. Quizon discussed the Real Property Valuation and Assessment Reform (RPVAR) bill, the third package of the Comprehensive Tax Reform Program (CTRP).



OIC Executive Director Quizon proposed that the RPVAR aims to eliminate multiple valuation bases and use a single valuation base for taxation purposes and a benchmark for other purposes, such as right of way acquisition, lease, or rental. She explained that the RPVAR aims to eliminate outdated values by introducing regular updating and a comprehensive electronic database, will provide reliable and transparent valuation reference values.

The hearing demonstrated the government's commitment to reforming the real property valuation and assessment system to promote accuracy, transparency, and accountability. With the proposed RPVAR bill, the government aims to provide a reliable and transparent valuation reference to boost local government revenue generation, promote economic growth, and improve the lives of Filipino citizens.



Read more: <https://bit.ly/3zZ5DpG>





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