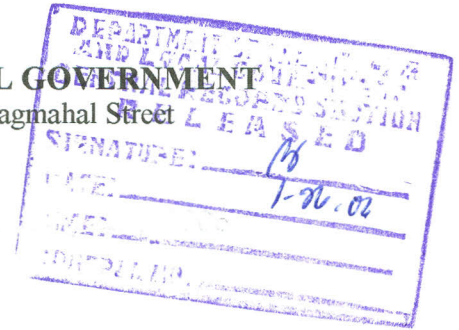




Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

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Diliman, Quezon City



MEMORANDUM CIRCULAR

No. 2006-03

TO : All Undersecretaries, Assistant Secretaries, NAPOLCOM Vice Chairman, PNP Director General, PPSC President, LGA Executive Director, BFP and BJMP Directors, Bureau / Service / Regional Directors and All Others Concerned

SUBJECT : **POLICY GUIDELINES IN THE PREPARATION OF THE DILG FY 2006 OPERATIONS PLAN & BUDGET (OPB)**

Date : January 25, 2006

1.0 Purpose

This Memorandum Circular provides the general policy framework, and program thrusts for FY 2006 within the context of the Medium Term Philippine Development Plan and the 10-Point Agenda of the Administration, and prescribes the guidelines and procedures in the preparation of the FY 2006 Operations Plan and Budget.

2.0 FY 2006 Budget Thrusts and Goals

For FY 2006, the Department of the Interior and Local Government being the catalyst for excellence in local governance, and steward for peace and order and public safety shall vigorously pursue the implementation of programs, projects, and activities along the following key result areas strongly anchored on the President's ten-Point Agenda and the Medium-Term Philippine Development Plan (MTPDP) 2005-2010.

1. Promotion of Excellence in Local Governance
2. Better Maintenance of Public Order and Safety
3. Empowered Communities
4. Effective and Ethical Leadership

3.0 Objectives

All agencies and bureaus shall implement programs and projects to achieve the following objectives:

Local Government Sector

- Objectives -
1. To formulate policies, standards and guidelines that would provide direction and guidance for the LGUs
 2. To promote good local governance through the provision of continuing assistance to LGUs
 3. To continue the conduct of strategic review on the continuing decentralization and devolution of services and functions of the national government to LGUs in support of the rationalization program

Interior Sector

- Objectives -
1. To reduce crime incidents and improve crime solution efficiency.
 2. To increase active community participation in programs and projects geared towards better maintenance of peace and order, and public safety under the rule of law.
 3. To continuously improve jail management and penology services aimed at zero escape of inmates and increase of rehabilitated inmates mainstreamed back into society.
 4. To prevent fire incidents and minimize fire losses in terms of lives and property.
 5. To continue to professionalize the police, fire, and jail personnel and services.

4.0 Performance Targets

In CY 2006, the Department shall have the following performance targets which are in accordance to its mandated areas of concern:

4.1 Promotion of Excellence in Local Governance

Technical assistance shall be continuously provided to LGUs to sustain the implementation of the projects listed below with the corresponding performance indicators:

- a. Local Governance Performance Management System (LGPMS)
 - Completion of LGPMS Enhancement by December 2006 (EDPS)
 - 100% of provinces, cities and municipalities with 2005 State of Local Governance Report.
 - The Regional Reports on the State of Local Governance shall be submitted not later than May 2006.
 - The National Report on the State of Local Governance shall be submitted not later than June 2006. (Bureau)
 - Establish mechanisms to link LGPMS and LGFPMS.

b. Monitoring of Executive-Legislative Agenda Implementation

- All LGUs with ELA incorporating all management tools be sustained and monitored.
- LGUs that started the ELA process shall have completed by end of first quarter 2006.

c. Localization of the Millennium Development Goals (MDGs)

- All provinces, cities and municipalities shall have incorporated the MDG targets in their local development plan.
- At least one LGU per region have accessed the available MDFO financing for small-scale MDG projects. (Bureau)

c.1 Local Poverty Reduction Action Plans/Agenda

- 20% of the provinces, cities and municipalities have an approved updated Annual Local Poverty Action Plans/Agenda.

c.2 Local Poverty Maps

- At least 20% of all cities and municipalities have completed poverty maps and database using the Community-Based Monitoring System (CBMS).

c.3 LGU Gender Mainstreaming

- All P/C/Ms shall have prepared their Annual GAD Plans.
- At least 10% of P/C/Ms shall have developed their GAD Code.

d. Implementation of key policy reforms within the context of the agreements in the Philippine Development Forum (PDF) and EO No. 444

- Completion of the strategic review of the five priority sectors (Phase I).
- Finalize framework and commence implementation of the comprehensive strategic review (Phase II).
- Adopt initial policies to harmonize capacity building to support devolution and decentralization.

e. LGU Policy Compliance

- 100% of LGUs are informed of laws affecting them
- Monitor policy compliance by LGUs as captured in the LGPMS
- 79 Provincial, 27 HUCs, 4 ICCs must comply with laws affecting them and policies captured in the LGPMS

f. LGU ICT Programs

f.1 Simplification of Civil Application Systems

- No. of cities and municipalities with Simplified Civil Application System, and Customer Complaint Desks. *(Target shall be the remaining LGUs which have not yet adopted the project. Accomplishment is cumulative from project start).*

- No. of cities and capital towns with One Stop Shops. *(Target shall be the remaining LGUs which have not yet adopted the project. Accomplishment is cumulative from project start).*

f.2 ICT Applications in LGU Operation

- LGU Administrative System dovetailed with the e- governance. (BLGD and EDPS)
- Regional list identifying LGUs with no CLAS or similar IT based systems.

f.3 Strengthening ICT Applications in LGU Operation

- 100% of P/C/M shall have web sites
- ICT accreditation system to guide LGUs completed by the end of 2006. (Bureau)

g. Replication of Good Practices (GO-FAR)

- At least one LGU per region shall have documented a good practice.
- At least one LGU per region shall have replicated a good practice.
- Every region shall have database on recommended sites (good practice-electronic) for Lakbay Aral

h. One Cluster, One Vision (OCOV)

- 100% of organized OCOV (both Department initiated and Congress) as of December 2005 are sustained

i. Rural Roads Development Policy Framework (RRDPF)

- Thirty (30) target provinces shall have adopted planning, programming, and maintenance systems in local roads management as advocated under the RRDPF. (Bureau)

j. Study on Assessing the Capacity of 5th and 6th Class Municipalities to Access Financing Interventions.

- 24 selected 5th to 6th class municipalities from nine (9) Regions have been served with survey questionnaires and by the end of the year, an analysis shall be made on the financing interventions extended by government and non-government agencies to these LGUs. (Bureau)

k. LGU Capacity Building Agenda Development Program (Bureau/Regions)

- Provincial/HUCCs capability building agenda developed (utilizing all available tools)
- All established Local Governance Regional Resource Centers are made functional (Regions 1,2,3,5,6,7,10,11, + interested regions)
- A functional accreditation system for LGU training program shall have been established in all regions
- Information Technology training are conducted for DILG personnel and LGUs
- Continuing Legal Education be made accessible to DILG personnel and LGUs

1. Implementation of Foreign-Assisted Projects (FAPs) under the Unprogrammed Funds and Other Complementary Projects. (PMOs)

The following targets are subject to the release of funds:

- Number of LGUs provided with: (a) capacity building support, (b) access to foreign financing for capital investment and technical cooperation project such as:
 - ADB-assisted Mindanao Basic Urban Services Sector Project (MBUSSP)
 - 45 LGUs provided with capability building support
 - 26 LGUs assisted in accessing financing for capital investment
 - 100% of the JBIC-assisted Rural Water Supply and Sanitation Project V (RWSSP V) beneficiary provinces provided with capability building support
 - 50% of the 19 beneficiary WB-assisted LGU Urban Water Supply Project (LGU-UWSP) provided with capability building support
 - Social Protection for Poor Women Market Vendors in Mindanao – Japan Fund for Poverty Reduction
 - 8 LGUs provided with capability building support
 - 8 Women Resource Centers shall have been completed
 - 100% completion by first quarter of the GTZ-assisted Water Supply and Sanitation Programs beneficiary provinces provided with capability building support.

Advocacy activities shall be provided for the adoption by the LGUs of the following projects:

- m. Direct Technical Assistance and Consultancy
 - Increase in the number of NGAs and CSOs participating in the implementation of sectoral priority projects.
- n. Gabay sa Mamamayan Action Center (GMAC)
 - 100% of Barangays in the “Access to Justice for the Poor” Project (AJPP) (Regions 4B,5,6,10,12) areas shall have functional GMACs.
 - 64% of all Barangays excluding ARMM reported to have functional GMACs shall be validated. (Bureau)
 - 100% of Barangays with internet access have functional GMACs (NCR).
- o. Solid Waste Management Plan Formulation
 - 100% of provinces, 25% of cities, and 20% of municipalities with Ten-Year Solid Waste Management Plans.
- p. LGU Project Monitoring Committees (PMCs).
 - The PMC will ensure that the implementation of government projects is in accordance with standards.
 - 100% of provinces, cities and municipalities with functional PMCs.

q. LGU Adopting the Government E-Procurement System (G-EPS)

- 100% of web-enabled provinces, cities and municipalities have adopted the G-EPS.

r. Local Council for Women

- All organized local councils for women are functional.

4.2 *Better Maintenance of Public Order and Safety*

- Register a 90% crime solution efficiency rate and 10-minute response time to crimes and emergencies.
- 70% of crime suspects/offenders/wanted persons are arrested.
- All barangays are illegal drug free and jueteng free.
- All Police Stations nationwide are coordinating with at least two (2) community-based institutions/organizations for crime prevention in order to reduce crimes.
- Decrease in the number of fire incidents.
- Decrease by 50% in the number of deaths among inmates.
- Zero jailbreaks.
- Increase in the number of district, city and municipal jails implementing the Adopt-A-Jail Project.

4.3 *Empowered Communities*

- The following LGU-Based Institutions must be functional in all levels of LGUs whichever applicable:
 - All Local Special Bodies as provided for in the LGC
 - Anti-Drug Abuse Councils/Committees
 - Disaster Coordinating Councils/Committees
 - Local Council for the Protection of Children
- Bayanihan Savings Replication Project (BSRP)
 - All regions shall formulate strategies that will provide the transition so that LGUs will be in the frontline of implementation starting CY 2007.
 - All functional BCs are sustained

4.4 *Organizational Effectiveness*

- Increased percentage of PNP, BJMP, and BFP personnel provided with training as compared to 2005.
- Continuing trainings shall be provided to DILG-LG Sector personnel to increase their knowledge, improve their skills and attitudes towards an

improved performance of mandated functions. Alternative ways to improve delivery of field services to LGUs shall be developed and tested in all regions *e.g. team approach.*

Department-wide (LG Sector) performance recognition shall be implemented *e.g. Gawad Galing.*

- c. Development and operationalization of the following information systems, in support of internal operations
 - E-NGAS (Accounting, budget, payroll system)
 - Document tracking system ✓
 - On-line personnel information system ✓
 - Web-based DILG legal service system
 - Asset Management System ✓
 - Records Management System ✓
 - TEXT CAST
 - Scholarship Information System ✓

5.0 Specific Guidelines and Procedures

- 5.1 Physical and financial accomplishments in 2004 and 2005 shall be considered in setting targets for FY 2006 considering the Organizational Performance Indicator Framework. Regional targets shall be in consonance with the national targets prescribed herein.
- 5.2 Other priority projects not included in the targets and do not directly relate to the Department/Bureau MFO, such projects shall be placed under the support services.
- 5.3 Productivity Enhancement Program (Organizational Effectiveness) shall reflect projects/activities categorized into: a) Continuing Organizational Review, b) Human Resource Development, c) Management Systems Enhancement, and d) Recognition and Awards.
- 5.4 Disclosure of funds coming from outside sources including cost-shared by LGUs in the implementation of a project/activity shall be strictly observed to prevent problems in budget tracking.
- 5.5 Action Plan on cost-cutting measures shall be an accompanying plan to FY 2006 OPB reflecting austerity measures under AO 103, and likewise indicating the 30% authorized savings that will be generated.
- 5.6 FY 2006 GAD Plan and Budget may be prepared separately but it is definitely integral to the FY 2006 OPB using mainstreaming strategy guided by the priorities in the Framework Plan for Women, and consistent with the provisions of DBM, NEDA and NCRFW Joint Memorandum Circular No. 2004-01.
- 5.7 Revision and/or realignment of OPB shall be submitted for review to Planning Service, and Financial Management Service, which shall present it to the DPBCC for final review, and finally endorsed by the concerned Undersecretary for the SILG's approval.
- 5.8 In the preparation of OPB, the attached outline shall be followed.

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