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Republic of the Philippines  
**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**  
**Bureau of Local Government Development**  
A. Francisco Gold Condo. II, Edsa cor. Mapagmahal St.  
Diliman, Quezon City

March 19, 2007

**MEMORANDUM CIRCULAR**

No. 2007- 27

**TO :** ALL GOVERNORS, CITY/MUNICIPAL MAYORS PUNONG BARANGAYS, MEMBERS OF THE SANGGUNIAN, LOCAL DEVELOPMENT COUNCILS, LOCAL FINANCE COMMITTEES, DILG REGIONAL AND PROVINCIAL DIRECTORS AND ALL OTHERS CONCERNED

**SUBJECT :** DILG, NEDA, DBM AND DOF JOINT MEMORANDUM CIRCULAR NO. 1, SERIES OF 2007 ON HARMONIZATION OF LOCAL PLANNING, INVESTMENT PROGRAMMING, BUDGETING, REVENUE ADMINISTRATION AND EXPENDITURE MANAGEMENT

On March 8, 2007, Joint Memorandum Circular No. 1, Series of 2007 was approved and issued by the Department of the Interior and Local Government (DILG), the National Economic and Development Authority (NEDA), Department of Budget and Management (DBM) and the Department of Finance (DOF). This JMC is aims to:

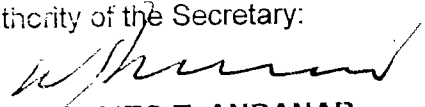
1. provide guidelines on the harmonization and synchronization of planning, investment programming, budgeting and expenditure management, and revenue administration at the local level;
2. strengthen the interface between local government units (LGUs) and national line agencies (NLAs) and the complementation between and among all levels of the LGU in planning, investment programming, budgeting, revenue administration, and expenditure management;
3. clarify responsibilities and supportive roles of the oversight agencies following the principles of Rationalized Local Planning System (RPS) of the DILG, the Provincial Local Planning and Expenditure Management (PLPEM) of the NEDA, the Updated Budget Operations Manual (UBOM) of the DBM and the upcoming local revenue guide of the DOF.

The JMC is considered as the springboard for addressing, among others, the multiplicity of plans being formulated by the LGUs, reinforcing plan-to-budget linkages, building up the Local Development Councils as the mandated planning structure at the local levels, mainstreaming National Line Agencies in the local planning process and consolidating efforts towards establishing and strengthening horizontal linkages among various levels of government.

The Joint Memorandum Circular can be downloaded under 'Issuances' from the BLGD Knowledge Management Center (KMC) Website at: [www.dilg.gov.ph/blgd](http://www.dilg.gov.ph/blgd)

For proper guidance.

By Authority of the Secretary:

  
**WENCILITO T. ANDANAR**  
Undersecretary for Local Government