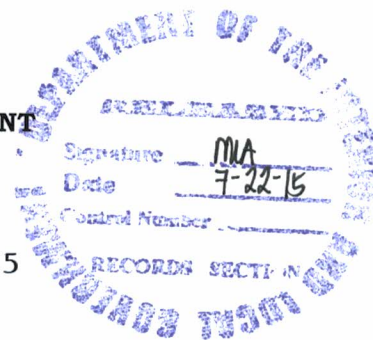




REPUBLIC OF THE PHILIPPINES
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July 22, 2015

MEMORANDUM CIRCULAR
NO. 2015-78

TO : ALL PROVINCIAL GOVERNORS, CITY/MUNICIPAL MAYORS,
REGIONAL, PROVINCIAL AND CITY DIRECTORS, CLGOO's MLGOO's AND
ALL OTHERS CONCERNED

SUBJECT : GUIDELINES FOR THE RELEASE OF THE 2015 PERFORMANCE
CHALLENGE FUND

In keeping with the commitment to walk the "Daang Matuwid", the Department strengthens its campaign to encourage continuous improvement in the performance of local government units (LGUs) by raising the bar of excellence to qualify for the incentive support for local development projects.

Starting CY 2014, the Seal of Good Housekeeping (SGH), the basic eligibility requirement to access the Performance Challenge Fund (PCF) was scaled up to the Seal of Good Local Governance (SGLG), *Pagkilala sa Katapatan at Kahusayan ng Pamahalaang Lokal*. SGLG recognizes good performance not only on financial housekeeping but now includes other performance dimensions that directly benefit the people such as disaster preparedness, social protection, business-friendliness and competitiveness, peace and order, and environment management.

Following these guidelines on SGLG espoused under DILG-MC-2014-39 and DILG-MC-2015-36, the assessment conducted in CY 2014 resulted to the conferment of the 2015 Seal of Good Local Governance to LGU recipients. In view thereof, the CY 2015 SGLG awardees are hereby declared eligible to access the 2015 PCF incentive in the amount of P7 Million per Province; P5 Million per City and P3 Million per Municipality.

As preliminary requirements to access the PCF, LGU beneficiaries should submit the following documents at the onset:

- A Memorandum of Agreement (MOA) signed between DILG Regional Director and the Local Government Unit (LGU);
- A Letter of Intent and Local Sanggunian Resolution that authorizes the Local Chief Executive to enter into a MOA with the DILG;
- Government Bank Certification that states the LGU has an existing Trust Fund; and
- Copy of the Annual Investment Program (AIP).

For the information and guidance of all concerned.


MAR ROXAS
Secretary



DILG-OSEC OUTGOING 15-02201