

**Joint Memorandum Circular
No. 99-01
September 03, 1999**

SUBJECT : Detailed Functions and Responsibilities of Partner Agencies Involved in the Implementation of the Community-Based Resource Management Project (CBRMP).

Pursuant to the Loan Agreement dated 08 April 1998 between the World Bank and Government of the Philippines which provides for the implementation of the Community-Based Resource Management Project (CBRMP) and the Memorandum of Agreement between the Department of Finance and the Department of Environment and Natural Resources (DENR) dated 28 April 1998, the following detailed functions and responsibilities of partner agencies are hereby issued for the information and guidance of all concerned.

SECTION 1.0 BASIC POLICY AND OBJECTIVES

The Government articulates the pursuit of alleviating poverty in rural areas through the Social Reform Agenda and at the same time attain sustainable development through Philippine Agenda 21. Consistent with these policies, the CBRM Project was conceived to: (a) enhance the capacity of low-income rural local government units (LGUs) and communities to plan, implement and sustain priority natural resources management projects; (b) strengthen the central government systems to transfer finance (As financial intermediaries) and environmental technologies and improve the implementation of environmental policies; and (c) provide resources to LGUs to finance natural resources management projects.

Recognizing the need for mutual cooperation, a collaborative and concerted program of action was initiated between the partner agencies in support of the goals and objectives of the CBRM Project.

SECTION 2.0 POLICY SUPPORT

2.1 The DOF through the Community-Based Resource Management Office (CBRMO) shall identify policy issued emanating from CBRM implementation.

2.2 The DOF and the DENR shall review and update pertinent policies and guidelines of their respective Departments in support of CBRM.

SECTION 3.0 PROGRAM COMPLEMENTATION

3.1 The DOF through CBRMO shall identify opportunities and issues for operational linkages with other programs.

3.2 The DOF and the DENR shall promote complementation among CBRM-related and LGU-capacitation programs.

SECTION 4.0 PROJECT CYCLE MANAGEMENT

4.1 Promotion

4.1.1 The DOF through CBRMO shall:

- a. Organize and lead promotional activities on CBRM in the pilot Regions (i.e., R5, 7,8 & 13); and
- b. Mobilize Regional CBRM Team and conduct orientation to rural LGUs and communities.

4.1.2 The DOF through BLGF shall:

- a. Participate and facilitate provision of needed financial and other related support services in the conduct of promotional activities on CBRM; and

- b. Assist in identifying potential LGUs, preferably belonging to the 4th, 5th and 6th classes.

4.1.3 The DENR through its Central Office shall provide materials, orientation and other related support services to its regional and provincial offices.

4.1.4 The DENR through its Regional Offices and Provincial Environment and Natural Resources Offices (PENRO) shall participate in regional promotional activities and shall assist in the identification of potential LGUs and sub-projects.

4.2 First Level Assessment

4.2.1 The DOF through CBRMO shall:

- a. Review the completeness of documentary requirements submitted by the LGUs;
- b. Organize field level validation of identified sub-project sites;
- c. Issue notice of prequalification of proponent LGUs;
- d. Evaluate the eligibility of the proposed sub-projects based on agreed guidelines and criteria;
- e. Provide detailed briefing to the LGUs regarding CBRM;
- f. Assist the LGUs in organizing CBRM Teams;
- g. Ensure the compliance of LGUs in the criteria for selection of community organizers or NGOs, consultants and staff;
- h. Orient the LGUs on the procurement of services of NGOs, consultants and staff following the World Bank Procurement Procedures; and
- i. Coordinate with the Local Government Academy (LGA) in the conduct of Training Needs Assessment and in the conduct of training courses.

4.2.2 The DOF through BLGF shall:

- a. Gather financial reports for Borrower's data sheet and determine loanable amount and borrowing capacity;
- b. Provide data bank on:
 - i. Revenue generation program on collection efficiency; and
 - ii. Delinquencies, deficits, remittances and shortages.
- c. Provide the necessary support system to the LGU to improve revenue collection efficiency and tax collection and at the same time determine the effectiveness of its financial system.

4.2.3 The DENR through its Regional Offices and PENROs shall:

- a. Participate in site validation activities and will be responsible for the following:
 - i. Verify land use status of proposed subproject sites and issue a certification that the said sites are located within public land;
 - ii. Assess the biophysical and environmental conditions of the proposed subproject sites; and
 - iii. Assess conflicts in land use rights and issue corresponding clearance stating therein that the proposed site is not contested.
- b. Provide resource persons in the conduct of detailed briefings and training.

4.3 Project Preparation

4.3.1 The DOF through CBRMO shall:

- a. Provide orientation to the LGUs in the preparation of feasibility studies (FS), monitor the preparation and evaluate the completeness of the submitted FS; and
- b. Coordinate with LGA in the provision of training to the LGUs and the communities;

4.3.2 The DOF through BLGF shall:

- a. Provide the necessary assistance in strengthening the financial management system of the LGUs;
- b. Review the financial aspect of the sub-projects and participate in the technical review together with the other members of the CBRM Team/TWG;
- c. Assess the debt repayment schedules for the loan-grant-equity mix; and
- d. Serve as Chairman of the Regional Technical Review Committee (RTCC).

4.3.3 The DENR through its Regional Offices and PENROs shall:

- a. Conduct perimeter survey of the sub-project areas;
- b. Provide maps and other available secondary data needed in the preparation of the FS;
- c. Identify the technology requirements in the proposed subprojects;
- d. Provide the resource persons needed in the conduct of site development planning and other technical requirements in FS preparation;
- e. Provide guidelines and orientation on the conduct of Environmental Impact Assessment (EIA) if deemed necessary; and
- f. Identify the appropriate land tenurial instrument and facilitate its issuance; and
- g. Participate as member of the RTRC.

4.4 Project Appraisal

4.4.1 The DOF through the CBRMO shall:

- a. Mobilize interagency project appraisal teams;
- b. Evaluate the actual proponents (communities);
- c. Issue notice of endorsement or revision of the sub-project plan;

- d. Review financial feasibility of the sub-project;
- e. Convene the RTRC;
- f. Provide secretariat support to the RTRC; and
- g. Prepare endorsement to Municipal Development Fund-Policy Governing Board (MDF-PGB).

4.4.2 The DOF through BLGF Regional Offices as chairman of the RTRC shall evaluate and approve subprojects and endorse these to MDF-PGB for loan approval.

4.4.3 The DENR shall:

- a. As a member of the RTRC, endorse the subprojects to MDF-PGB for loan approval; and
- b. Participate in the technical appraisal of the subprojects by evaluating their technical soundness and consistency with policies, validating the assumptions used, reviewing its Environmental Impact Statement (EIS) and participating in the preparation of the subproject appraisal reports (SPAR).

4.5 Preparation of Detailed Implementation Plans (DIPs)

4.5.1 The DOF through CBRMO shall:

- a. Orient the LGUs in the preparation of the DIPs;
- b. Assess community preparedness in sub-project implementation;
- c. Review detailed design and sub-project logframe; and
- d. Package and disseminate appropriate technology.

4.5.2 The DOF through BLGF shall participate in the technical review of the DIPs and provide assistance as may be requested.

4.5.3 The DENR shall conduct training on technology transfer and package and disseminate appropriate technologies.

4.6 Loan Approval, SPLA Signing and Fund Release

4.6.1 The DOF through CBRMO shall:

- a. Prepare the Sub-project Loan Agreement (SPLA) and facilitate its review by the LGU;
- b. Facilitate the signing and approval of the SPLA by MDF and DOF;
- c. Facilitate initial fund release; and
- d. Assist in setting up a financial and procurement system within the LGUs.

4.6.2 The DOF through BLGF shall:

- a. Review the completeness and appropriateness of documentation requirements for endorsement to MDF-PGB;
- b. Endorse the SPLA for approval by the DOF Secretary; and
- c. Effect release of funds to the LGUs.

4.7 Subproject Operation, Maintenance and Supervision

4.7.1 The DOF through CBRMO shall:

- a. Monitor sub-project implementation and validate accomplishments to facilitate fund releases;
- b. Provide technical assistance (TA) on site development and management activities;
- c. Ensure compliance to CO process by the LGUs;
- d. Provide M & E framework and guidelines and provide training, in collaboration with LGA, on participatory monitoring and evaluation;
- e. Spearhead major evaluation studies; and
- f. In coordination with LGUs, recommend changes in project design and implementation strategy

- 4.7.2 The DOF through BLGF shall:
- a. Serve as member of the NTRC;
 - b. Provide policy guidelines and review overall project implementation;
 - c. Serve as member of the validation and assessment team in the regional, provincial and community/district levels; and
 - d. Monitor fund releases to LGUs.

- 4.7.3 The DENR shall:
- a. Serve as member of the NTRC;
 - b. Participate in the monitoring of sub-project implementation and in the validation of accomplishments;
 - c. Provide TA in site development and management activities;
 - d. Provide policy guidelines and review overall project implementation; and
 - e. Serve as member of the validation and assessment team in the regional, provincial and community/district levels.

4.8 Monitoring and Evaluation

4.8.1 The DOF through CBRMO shall consolidate and prepare regular reports for submission to concerned entities/agencies;

4.8.2 The DOF through BLGF shall evaluate fund disbursement as against physical accomplishment and participate in other M & E related activities; and

4.8.3 The DENR shall spearhead in the preparation of the State of the Environment Reports and in the conduct of Environmental Monitoring and Evaluation.

SECTION 5.0 EFFECTIVITY

This Circular takes effect immediately.

(Sgd.) LILY K. GRUBA
Undersecretary

(Sgd.) MARIO S. ROÑO
Undersecretary and
CBRM Focal Point, DENR