



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

LOCAL BUDGET CIRCULAR

No. 106
Date June 9, 2015

FOR : The Provincial Governors, City and Municipal Mayors, Sanggunian Members, Local Finance Committee Members and All Others Concerned

SUBJECT : HANDBOOK ON THE PARTICIPATION OF CIVIL SOCIETY ORGANIZATIONS IN THE LOCAL BUDGET PROCESS

1.0 PURPOSE

1.1 This Circular is being issued to encourage all provinces, cities and municipalities to adopt the Handbook on the Participation of Civil Society Organizations in the Local Budget Process as a means of promoting and deepening genuine and meaningful civic engagement in local governance.

2.0 THE HANDBOOK ON THE PARTICIPATION OF CIVIL SOCIETY ORGANIZATIONS IN THE LOCAL BUDGET PROCESS

2.1 The Handbook on the Participation of Civil Society Organizations in the Local Budget Process aims to foster partnership between the local government units (LGUs) and civil society organizations (CSOs) in one vital aspect of Public Financial Management (PFM) – budgeting – pursuant to the following provisions of laws:

2.1.1 Section 23, Article II, 1987 Philippine Constitution

“The State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation.”

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2.1.2 Section 3(l), R.A. No. 7160 (The Local Government Code of 1991)

“The participation of the private sector in local governance, particularly in the delivery of basic services, shall be encouraged to ensure the viability of local autonomy as an alternative strategy for sustainable development.”

2.1.3 Section 34, R.A. No. 7160 (The Local Government Code of 1991)

*“Role of People’s and Non-governmental Organizations
- Local government units shall promote the establishment and operation of people’s and non-governmental organizations to become active partners in the pursuit of local autonomy.”*

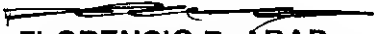
2.2 The Handbook operationalizes and strengthens participatory budgeting in the LGUs by providing a clear description of the emerging roles of the LGUs and CSOs in the local budget process. Overall, it seeks to contribute to the constructive engagement of LGUs and CSOs for an enhanced, integrated, transparent and accountable PFM system.

3.0 ROLL-OUT ACTIVITIES

3.1 Trainings on the Handbook for both LGUs and CSOs shall initially be conducted by the Regional Inter-Agency Teams (RIATs) on PFM led by the DBM Regional Offices.

4.0 EFFECTIVITY

This Circular shall take effect immediately.


FLORENCIO B. ABAD
Secretary

