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**LOCAL RESOURCE MANAGEMENT (LRM)
PROJECT**

(RPTA Component)

Project No. 492-0358

**PROJECT ASSISTANCE
COMPLETION REPORT (PACR)**

Date: February 28, 1992

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LOCAL RESOURCE MANAGEMENT PROJECT
REAL PROPERTY TAX ADMINISTRATION COMPONENT
PROJECT ASSISTANCE COMPLETION REPORT

I. DESCRIPTION OF THE PROJECT

A. Background

The Real Property Tax Administration (RPTA) component of the Local Resource Management (LRM) Project began as a pilot effort under the AID-assisted Provincial Development Assistance Program and expanded into a discrete RPTA project from 1978 to 1983. A 1983 project evaluation concluded that enough progress had been made to justify a follow-on project. The 1984 end-of-project assessment concluded, however, that there was a need for management and organization improvement and concentration on tax collection efforts. This final assessment formed the basis for the September 1984 Amendment to the LRM Project Grant Agreement, which included the RPTA component to the LRM Project.

The Agreement specified the Department of Finance (DOF) as the implementing agency for the RPTA Component. Likewise, the Agreement covered a period of approximately five years, starting in the third quarter of 1984 and ending on August 31, 1989. During this five-year period, RPTA field installation was to proceed in three phases, and it was to cover Regions III, V, VI and the LRM pilot provinces of Region VIII meeting RPTA criteria as Phase A. Phase B was to cover Regions I and II, and Phase C was to cover Region XII and the remaining Region VIII local government units (LGUs). Phases B and C were to commence as experience from Phase A indicated and as Government of the Philippines (GOP) budget became available.

Implementation of the LRM-RPTA component did not begin until mid-1988, when major implementation differences between USAID and DOF were resolved. Due to limited time remaining, DOF and USAID agreed that implementation would initially be concentrated in Region VI. In addition, DOF and USAID agreed that, depending on progress, the Project Assistance Completion Date (PACD) for the RPTA component might be extended for two years and implementation activities expanded to Regions V and/or VIII. Implementation activities began in July 1988 with the first batch of 56 LGUs in Region VI.

An assessment of progress of RPTA activities in Region VI was completed in April 1989 by an independent contractor. This assessment was the basis for extending the RPTA activities from August 31, 1989 to August 31, 1991. Implementation was also expanded to other LGUs in Regions V and VI.

B. Project Purpose and Description

1. Purpose

The purpose of the LRM/RPTA Component is to increase local real property tax revenues to finance and support locally initiated projects and services. The LRM/RPTA mobilized strong cooperation between the national and local governments in uplifting local financial capabilities through: (1) improved management and technical capacity of central, regional and local level officials to support local operations; (2) improved capacity of local government fiscal administration officials to expand and maintain RPTA systems supported by regional task forces; and (3) systems installed initially in two regions.

Technical and financial assistance were provided to the local governments in carrying out the project. Technical assistance includes improvement of the RPTA technical systems and training on tax mapping, records conversion and tax collection. Furthermore, a computerized RPTA system was also developed and pilot tested.

In terms of financial assistance, the sharing between the national and local governments in the total project costs for the implementation of the technical systems is based on the following formula which considers the income class of LGUs:

**Cost-Share Formula of Total Project Cost for
Installation of Technical Component**

<u>COST SHARING</u>	<u>LGU Income Class/% Contribution</u>		
	<u>First & Second</u>	<u>Third & Fourth</u>	<u>Fifth & Below</u>
<u>National Government Contribution</u> (AID Assistance)			
Province	30	35	40
Municipality	30	35	40

City	60	70	80
<u>LGU Contribution</u>			
Province	20	15	10
Municipality	20	15	10
City	40	30	20

It should be noted that the province and municipality jointly implement the technical components while the city is alone. Hence, as reflected in the above table, if a province and a municipality are both first and second class, there was 60% (30% for the province and 30% for the municipality) national contribution to the total project cost. The 40% of the total project cost was contributed jointly by the province (20%) and the municipality (20%). If, however, the province is first or second class and the municipality is third or fourth class, there was 65% (30% for province and 35% for municipality) national contribution; 35% of the project cost was contributed by the province (20%) and the municipality (15%). For a first or second class city, 60% of the total project cost was from national contribution and 40% from the city.

2. Project Participants - As agreed upon, project coverage was regionwide for more impact and administrative efficiency. The whole of Region VI was covered with 130 LGUs composed of municipalities and cities. Implementation in Region VI was divided into two batches with 56 LGUs in the first batch and 73 LGUs in the second batch. In Region V, there were 55 LGUs covered representing about 48% of the total 115 LGUs in the region.

3. Project Components - The major project components include: (a) development of improved technical systems, (b) management orientation and technical training, and (c) commodity assistance.

The RPTA technical systems are briefly described below:

- Tax Mapping: Tax Mapping involves the preparation, installation and maintenance of a system of mapping showing graphically all land parcels subject to assessment and a corresponding system of real property identification and accounting. Upon completion of a tax map, each property unit is assigned a Property Identification Number (PIN).

This number is permanently assigned to the specific real property and indicated in the corresponding records in the local assessment office so that no two real property units in the entire country will bear the same PIN. For every city and municipality there will be city or municipality index maps, barangay and section index maps and tax maps.

- Records Conversion and Management: This component involves the conversion of tax mapping information to individual property records and the collection assessment rolls, and its installation and maintenance in a local assessment office.

- Tax Collection: This component involves the collection, recording, accounting and disposition of real property taxes both currently collectible and delinquent. It includes the development and implementation of tax collection programs using improved tax collection methods and the models for information and collection enforcement.

Since the implementation of the abovementioned RPTA technical systems needs full cooperation of local executives and technical staff, intensive organization and management orientations were undertaken prior to actual field implementation. Roles, responsibilities and functions were clearly identified for the various key actors. In addition to technical trainings on the improved RPTA systems, there were also trainings on systems maintenance for project sustainability, monitoring and evaluation, and computerization. The details of the various orientation and training programs are provided in Appendix A.

Other technical assistance activities were also undertaken including systems computerization and pilot testing; and materials development for information, education and communication campaign. The details can be found in Appendix B.

Various commodities were also procured to support project implementation and maintenance. The list of commodities is shown in Appendix C.

C. Implementation Arrangements

The implementation of the LRM/RPTA component was highly decentralized. Significant decision-making authority and supervision of field operations were devolved to the regional and local project managers. In the formulation and

preparation of management/operational guidelines, regional and local project managers were intensively involved. Monitoring was mainly the functions of the regional and local project managers. The Central Project Management Office (CPMO) role was only strategic in nature.

The major role of the CPMO was in terms of policy direction and technical support where necessary. Specific instances were in cases where issues cannot be resolved at regional or local level, or where expertise is available only at the central level, and finally where coordination can be best achieved through the CPMO. In support of field operations, the CPMO was responsible for directly requesting and releasing USAID grant funds to LGUs and GOP counterpart funds to regional offices; conducting of general training/orientation programs, coordinating with support agencies and donor, and similar functions.

The Regional PMOs have the administrative responsibility on a regional basis and served as the link between the CPMO and local PMOs. They provided technical assistance as needed and were only involved in the day-to-day project activities when necessary or upon requests of the Local PMOs.

The local PMOs (provincial, city and municipal) acted as the focal point in the field implementation of the technical systems. They have direct technical and financial responsibility in the conduct of the project within their respective jurisdictions.

II. CURRENT STATUS OF THE PROJECT

Originally, the Project Assistance Completion Date (PACD) was August 31, 1989. The redesigning effort in late 1986 resulted to the Project Paper Supplement in 1988 which expanded both the geographic scope of the Project and the extension of the PACD to August 31, 1991. The life of the Project was, therefore, extended to 9 years.

As mentioned previously, the projects were completed in 55 LGUs (about 48% of total number of LGUs) in Region V and in all of the 130 LGUs in Region VI.

III. SUMMARY OF CONTRIBUTIONS

A. Planned Inputs

The LRM Project Agreement provided for a life-of-project funding of \$10.8 million for the RPTA components including \$5.9 million as AID contribution and approximately \$4.9 million as the government contribution. The details are as follows:

<u>ELEMENT</u>	<u>CONTRIBUTIONS (\$000)</u>		
	<u>AID</u>	<u>GOVERNMENT</u>	<u>TOTAL</u>
Systems Installation	\$4,399	\$2,788	\$ 7,187
Capacity Building	398	-	398
Commodities	1,037		1,037
Evaluation/Audit	66	-	66
Project Operations	-	2,065	2,065
TOTAL	<u>\$5,900</u>	<u>\$4,853</u>	<u>\$10,753</u>

B. Actual Inputs

As of December 31, 1991, the actual project inputs (project expenditures) from AID contributions, are as follows:

<u>ELEMENT</u>	<u>AMOUNT (\$000)</u>
Systems Installation	\$4,189
Capacity Building	397
Commodities	1,030
Evaluation/Audit	56
TOTAL	<u>\$5,672</u>

It should be noted that there are still some claims from consultants and suppliers that are still being processed at this time due to the lag from the time the goods and services are delivered to the time the billings are received and processed. Thus, project funds may still be disbursed for payment of valid claims within the Project's Terminal Date of Disbursement (TDD) of May 31, 1992. Therefore, the actual input figures are still subject to adjustments.

IV. PROJECT ACCOMPLISHMENTS

- A. Planned Outputs - For the achievement of the project purpose, the following outputs were envisioned:
1. Improved management and technical capacity of central, regional and provincial/city local officials to support local operations;
 2. Improved capacity of local provincial/city government fiscal administrative officials to expand and maintain RPTA systems supported by regional task forces; and
 3. Systems installed in two regions.
- B. Actual Outputs -
1. Management and Technical Capacity - According to the external impact evaluation, RPTA project management and technical capacities can be considered adequate to meet normal operational demands. Project personnel are becoming increasingly qualified through experience and training. Furthermore, the local chief executives are very much aware of the RPTA program and expressed strong support for RPTA activities.
 2. Capacity to Expand and Maintain RPTA Systems - As noted in the other parts of the report, the project was expanded from the first batch of 56 LGUs in Region VI to all LGUs in the region. Further, the project was expanded to other LGUs in Region V. In terms of maintaining the RPTA system, the project has undertaken trainings on RPTA system maintenance. At this time, actual systems maintenance is not being undertaken yet since the systems were still newly installed.
 3. Systems Installation in Two Regions - As discussed above, the systems were installed regionwide in Region VI and partly in Region V. The list of LGUs with installed RPTA system is in Appendix D.

V. POST - PROJECT RESPONSIBILITIES

USAID activities beyond the PACD include the following:

1. Review and Processing of Payments - Because of the lag time in the delivery of goods/services and billings, there will still be payments to be made by USAID.

2. Deobligation of Excess Funds - After the TDD, USAID in coordination with the DOF, will deobligate excess funds of approximately \$200,000 under the Project.
3. Monitoring Responsibilities - Once the LRM/RPTA projects have been officially accepted and turned over by the DOF to the LGUs, USAID is no longer required to monitor the operations of the projects. The DOF, on the other hand, will continue to monitor the operations and maintenance of the completed projects as part of its regular functions.

VI. REVIEW OF PROJECT ASSESSMENT AND EVALUATION

- A. Assessment of Progress of Region VI RPTA Activities - As noted in the first part of the report, due to problems and delays encountered, project implementation was initially concentrated in Region VI starting July 1988. Extension of implementation period and expansion to other regions was dependent on the progress of Region VI. Hence, an independent contractor was commissioned for an assessment of Region VI progress and the assessment was completed in April 1989. The result of the assessment served as the basis for extending the assistance completion date for two years and expanding project implementation to Region V.

1. Findings

The overall project accomplishments were found to be quite satisfactory and according to targets. Excellent progress achieved in many LGUs can be attributed to the quality of project management's decisions and actions regarding: (a) deployment of qualified staff; (b) enforcement of coordination between the province and LGU levels; (c) monitoring at the regional level; (d) setting of priorities and problem-solving support at the central and regional levels; and (e) general leadership and commitment to the project at all levels.

The project encountered a number of problems up to the time of assessment, primarily: (a) delayed fund releases through a bank in Negros Province; (b) lack of full briefing and mobilization of local official support to the project; (c) lack adequate preparation of LGUs; (d) political pressures from local officials

on some project activities, e.g. hiring of staff and use of facilities/equipment; (e) inadequate time available for staff training; and (f) environmental impediments like rugged terrain and insurgency activities in some areas.

In many of the LGUs encountering these problems, appropriate and timely management action have been observed by the Assessment Team as making a difference in the progress of LGUs versus targets. The key ingredient appears to be in the perception by LGUs that the central project management is supportive of their needs and that effective technical project management is properly left at the level of the regional project management in Iloilo. Another key decision by the Regional Project Manager was his assignment of capable provincial coordinators in each of the provinces to direct LGU project operations. Along with active regional monitoring and technical assistance, municipal assessors were assured that they could get all the technical assistance needed to ensure project completion. Commitment and morale were sustained at high levels.

The benefits of the Region VI RPTA Project appear to be evident, through: (a) increased assessments; (b) improved quality of records, (c) trained staff, and (d) increased awareness of RPTA processes by local officials. It was clear even to non-participating LGUs in Region VI that the RPTA has a beneficial impact on future total revenues.

The Assessment Team observed that the remaining work in Region VI involves taking steps to sustain the gains made so far in the project. Future funds releases should be streamlined further. Reallocation of funds should be made for staff training and equipment support to install and implement the improved RPTA systems developed. Management should take the necessary steps to phase in the tax collection participants and local government officials.

The question of replication of the project to other regions is more difficult to answer. Much of the success of the Region VI project owes to the previous AID-funded RPTA projects in the region and the capacities so developed. To achieve a similar measure of success, similar capacities should be tapped in

other regions, or transferred from Region VI if possible. In general, management processes used in Region VI should be followed and adapted to other regions but this would depend on the commitment and abilities of the people who will be tasked with management of those projects.

2. Conclusion

The Region VI Project was successfully implemented. The Project Management organization is installed and functional. Problems were encountered but were effectively addressed through proper management attention. For the most part, a decentralized management structure from the Regional to the LGU levels worked for effective project implementation. A clear indication was that the various approaches taken by the provinces in the absence of detailed project guidelines worked with equally successful results.

3. Recommendations

a. Regional Project Management needs to look forward to orienting and phasing-in the tax collection participants in the Project. For the most part, concentration on the assessor's office left out the treasurers and LGU officials in the Project. The assessment phase problems have been sufficiently overcome and management should concentrate on installing the systems and looking at the collection stage.

b. Central and Regional project management should streamline future funds releases as this is crucial to progress. Specifically:

- 1) Speed-up releases in the banking channels and advise LGU of releases.
- 2) Advise LGUs on liquidation procedures in coordination with USAID.
- 3) Reallocate future funds to emphasize commodity support. There is a need to review

4) Training is still required especially if a new batch of LGUs will participate in Region VI and for the tax collection phase. There is a strong group of trainers with expertise established by the Project.

5) The assessment revealed that while the successful project completion is almost assured for most LGUs, there is still a basis for concern about the future maintenance of the improved system. Much of this problem concerns local government support to the assessors office. However, the current project can still take action along the following lines:

- Harnessing local officials' assistance by communicating RPTA goals and benefits upon installation of the improved system; and
- Reallocating some remaining assistance funds to commodities and training which can be utilized beyond the current project period.

B. External Impact Evaluation - Towards the end of the project, an external evaluation was undertaken to assess the impact of the RPTA activity in four areas: (a) institutional capacity; (b) technical capacity; (c) revenue generation; and (d) financial and economic returns.

1. Findings

a. Successful implementation of RPTA in Regions V and VI will provide persuasive evidence that RPTA can be implemented nationwide, given sufficient time and financial resources.

b. The Bureau of Local Government Finance (BLGF) has developed a reasonably effective system of RPTA project management. Some improvements are needed and are being made by the BLGF. In general, project management appears to be adequate to meet normal operational demands.

c. The BLGF staff show skill and dedication in administering RPTA activities and assisting LGUs to solve technical problems. However, BLGF

regional staffs are not large enough to provide staff assistance to LGUs by regularly scheduled visits.

d. Provincial, city and municipal executives who were interviewed expressed, without exception, strong awareness and support of RPTA. All welcome it as a source of increased revenue but some also realize it will improve the operations of their assessor and treasurer offices. Most LGU executives saw no problem in maintaining RPTA.

e. The great majority of assessors and treasurers interviewed agreed that taxpayers would not be happy about paying higher property taxes but they also agreed that formal complaints and appeals would be negligible. "Our people are very tax conscious right now," said one treasurer. "They don't mind paying their taxes if they think they are fair and if they can see some municipal improvements resulting from the taxes they pay."

f. A number of municipalities reported peace and order problems in some of their barangays (although most thought these problems were decreasing in their areas). Where such problems exist property tax collection is usually adversely affected.

g. Several municipalities in which land had been transferred to tenants under the Comprehensive Agrarian Reform Program (CARP) reported that the new owners refused to pay their property taxes. In one municipality, the Land Bank was said to have paid the property taxes of the new owners but could not get repaid by them. Other municipalities, however, reported no problem in collecting property taxes from new property owners.

h. Only a fraction of assessed property values are based on current and fair market value, even though this is required by law. Instead, they are based on the understated market values which make up schedules of market values prepared by city or municipal assessors and approved by the DOF through Regional Offices of the BLGF.

i. Local officials showed evidences of cooperation with and dedication to RPTA. Nevertheless, there also exists a certain willingness to accept "quick fix" solutions to technical problems. This attitude may cause future difficulties in maintaining adequate technical standards.

j. Although the law provides a number of enforcement mechanisms to collect delinquent taxes, most of them are rarely applied. In many LGUs, delinquencies are several years old.

k. Tax mapping and records conversion are still underway in Region V but in LGUs which had completed at least 30% of the work, assessors estimated increases in assessed property values would range from 50% to 120%. As the work is completed, assessed value increases are expected to hit the 100% to 300% mark.

l. Assessment techniques and tax collection appear to be the weakest links in the process necessary for an effective real property tax administration system.

m. While it is too early to assess the full impact of RPTA activities on local revenue generation, analysis of available data indicated that the project is feasible in both financial and economic terms.

2. Conclusions

a. The current RPTA program is effective in the sense that the systems and procedures are sufficiently developed for nationwide application.

b. Based on extrapolations of available data and some logical but untested assumptions, it is estimated that the cost installing RPTA in an LGU can be cost effective.

c. Available data indicate there have been increases in local revenue in every LGU in which RPTA has been implemented. However, the full impact of RPTA on local revenue generation in Regions V and VI cannot be determined until 1992.

d. Revenue increases have been important to LGUs in two ways: in terms of the actual amount realized; and in making LGUs aware of the revenue potential of the property tax.

e. RPTA improvements can be sustained at a constant level if LGUs are willing to spend the necessary amount from revenue increases to maintain the RPTA system properly.

f. The following policies and procedures (not legal requirements, in fact, contrary to legal requirements) constrain increases in property tax revenue:

- Reluctance to base real property assessed values on current and fair market values;

- Reluctance to utilize intensively the full array of enforcement and collection measures authorized by law to collect delinquent real property taxes.

g. The RPTA program should be expanded nationwide to provide more resources for local government development. The BLGF should prepare detailed expansion plans covering the financial, material and human resources needed and a timetable for accomplishment.

3. Recommendations.

a. RPTA technical activities should be focused on continuing improvements in assessment techniques and tax collection.

b. The BLGF should emphasize LGU training program on the need for regular maintenance of tax maps, tax records, assessment rolls and schedules of fair and current market values.

c. The DOF and BLGF should point out to legislators the undesirable provisions of the Real Property Tax Code, e.g., unduly narrow range of tax rates, excessive number of assessment levels and maximum delinquency penalty of 24% and propose necessary changes.

d. The DOF and BLGF should ensure that new schedules of market values are prepared by local assessors at least every three years and that such schedules are based on fair and current market values, as required by law.

e. The DOF and BLGF should initiate discussions internally with the BIR and externally with the Bureau of Lands, Department of Justice, Department of Agrarian Reform, Land Bank and any other central agencies concerned, to review and, where necessary, improve the coordination essential for more effective RPTA implementation.

f. The BLGF should institute a study to improve its management information system.

g. The staffing of BLGF offices in Regions V and VI should be expanded to permit the establishment of regular visits to RPTA LGUs by staff members to monitor progress and provide any advice and assistance necessary.

h. On the assumption that RPTA will eventually be implemented on a nationwide basis, the BLGF should develop detailed plans covering financial, materials and human resources necessary for expansion plus actual time schedules for implementation.

i. The DOF and BLGF, in cooperation with LGU executives and involved local officials, should ensure that the full array of enforcement and collection measures authorized by law is used to collect all delinquent real property taxes.

j. LGU executives should ensure that increased property tax revenue is spent only on locally initiated development projects which have high visibility to taxpayers.

VII. LESSONS LEARNED AND RECOMMENDATION

The lessons learned from the LRM/RPTA Project can be drawn from the findings of the external impact evaluation as discussed in the previous section. The recommendation of this evaluation was discussed by DOF implementors and policy makers in a workshop for catalyzing action on impact

assessment results. The workshop aimed to expand the usefulness of the evaluation results by firming up a nationally replicable model for RPTA improvement derived from Regions V and VI LRM/RPTA experiences. The DOF also decided to examine more closely the policy and implementation issues which would have a significant impact on the viability of such a regional RPTA model.

In view of the ultimate objective of improving the RPTA system nationwide, the adoption of an empirically-validated models for regional RPTA operations was viewed as the most pragmatic way of catalyzing action on the LRM/RPTA project assessment results. With the passage of the 1991 Local Government Code wherein the LGUs are primarily responsible for RPTA, the DOF should play an active role in providing technical assistance to the LGUs.

Specifically, the DOF should encourage the LGUs to give priority to the following recommendations to operationalize the aforementioned model:

1. Systems Maintenance - There should be continuing training of systems maintenance personnel. Also, there should be logistical support for maintenance through local budgetary appropriations. Further, as a condition for extending financial and technical assistance to LGUs, the DOF should arrange for inclusion in the Memorandum of Agreement of a provision that a certain percentage of the annual RPT collections be earmarked for the requisition/maintenance of equipment, supplies and staff training of assessment and treasury offices.
2. Cost Efficiency and Recovery - The improved RPTA system as installed in Regions V and VI should continually be refined for installation in other parts of the country. The refinement should focus on further simplification of procedures for minimizing and optimizing the cost of operations.
3. Computerization - The computerized RPTA system as pilot tested under the LRM/RPTA project should be installed in other areas. As experienced under the pilot testing activities, there will be significant cost and time savings in records conversion and management. The accuracy and integrity of tax records are also high under the computerized system.

4. Emphasis on Tax Collection - Continuing efforts should be undertaken for increase tax collection including the basic tax and delinquencies. Intensive information and education campaign should be supported.

APPENDIX A

ORIENTATION AND TRAINING

Organization and Management Orientation

Tax Mapping Procedures and Operations

Records Conversion and Management

Tax Collection

Systems Maintenance

Monitoring and Evaluation

ORGANIZATION AND MANAGEMENT ORIENTATION

A. Orientation Results

1. Attainment of Purpose - The evaluation and measures of the orientation outputs indicated a high degree of attainment of purpose for the exercise. This indication meant the enhancement of participants understanding and appreciation of the LRM/RPTA Project goals/objectives, its organization and management, administrative and financial procedures/systems and the roles and responsibilities of Project key actors. Value system reorientation, which was integrated discretely throughout the orientation process, proved to be effective, as related issues to value systems surfaced spontaneously during the workshops.
2. Generated Information - The orientation process has generated from the participants and the resource persons, information summarized as follows:
 - a. Generally weak project implementation coordination among and between key actors largely at the LGUs level.
 - b. Generally inadequate administrative support to the Local Project Management Offices by local executives and auditors.
 - c. Undefined and unclear project roles and responsibilities of LGUs executives.
 - d. Some LGUs do not view the project on its purpose and its entirety. This led them to raise the issue on whether the LRM/RPTA Project is a benefit or a burden.
 - e. Generally weak project cash flow management and the bureaucratic process for funds release at the national level is one of the major causes in the delay of project implementation.

B. Insights and Analysis of Results

1. The main reason for generally weak coordination at the LGUs level, is the lack of understanding and appreciation by the key project actors especially the local executives of their roles and responsibilities to the project.

2. Issues raised were resolved through formal agreements among and between the participants. These issues were also resolved within the limits of their authority and within the bounds of the law. Other issues beyond the limits will have to be referred to the concerned agencies. These agreements should be the key factor that could strengthen coordination if pursued and adhered to at the local levels.
3. The orientation has enhanced the participants appreciation that real property tax revenues remain the cornerstone of local revenues. These revenues can be invested in the urgently needed local development projects which is also consistent with the priorities of the local executives. This appreciation also enabled the participants to see that more benefits are derived from the project.
4. Sustainability of the LRM/RPTA Project systems and procedures still remain a gray area in the project design. The installation of Special Project Management Offices at the LGUs level seemed inconsistent with the project's purpose of institutionalizing the installed systems and procedures in the regular RPTA operations of the assessors and treasurers offices. The local Project Management Offices may eventually pose organizational and personnel problems at the local level after project phaseout, and therefore could affect the sustainability of the installed systems.

C. Recommendations

1. Technical assistance should be immediately pursued specially on cash flow management, a vital factor for LGUs to mobilize their field operations.
2. The oversight functions of the Regional PMO (RPMO) should be transferred progressively to the Provincial PMOs (PPMO) to prepare them for this function after project phaseout. USAID and BLGF must make sure that a project phaseout strategy is designed to ensure sustainability of the systems and procedures at the LGUs level.
3. The Central PMO (CPMO), with the assistance of USAID, should consider a system at the national level that will ensure timely release of project funds to the participating LGUs.

4. Project implementation coordination at the local level should include the budget officers, planning and development coordinators and other agencies such as DENR, DAR, DECS and possibly non-governmental organizations.

TAX MAPPING PROCEDURES AND OPERATIONS

A. Outputs

1. Training Packages - There were two sets of training packages prepared. The first set contained training materials consisting of the principles and lecture/discussion portions. The topics includes: (a) pre-field operations, (b) field operations, and (c) post-field operations.

The second training package contains the group exercises used in the hands-on workshops. It covers all preparatory aspects of tax mapping, from pre-field to post-field operations. A separate workshop covering actual field work materials was also included.

2. Trained Personnel - A total of 141 participants were trained composed of assessment personnel from the central down to municipal level of RPTA offices.
3. Issues Resolved - Issues raised centered mostly on management and technical aspects of tax mapping operations. Management issues covering disposition of funds and materials were resolved by agreeing on specific guidelines and assignment of specific responsibilities.

There were five technical issues raised, including: (a) classification and assessment problems, (b) disputes in boundaries, (c) changes in conditions in the local area, (d) assignment of temporary property identification numbers, and (e) definition of certain tax mapping conditions. To resolve these issues, problem-solving approaches were formulated, such as guidelines or courses of action to take given the problems.

- B. Lessons Learned - Based on the workshop exercises and discussions with the resource persons, the following lessons were learned during the training:

1. Pre-field Operations
 - a. There is a need for teamwork.
 - b. Adapt guidelines to local conditions.

- c. There is a need for support from local political leaders.
- d. The tax-mapping staff should follow the prescribed systematic procedures to reduce errors.
- e. There is a need for regular training of personnel and periodic personnel audit.
- f. The tax maps are the foundations of the assessment process. They should be done correctly and maintained properly.

2. Actual Field Visits

- a. Need for a base map.
- b. Exert all efforts to inquire from neighbors to locate property owners.
- c. Qualified barangay guides are needed.
- d. Accord the local officials with outmost courtesy.
- e. Anticipate many undiscovered properties.

3. Field Operations

- a. Be alert on comparisons of records against actual field inspections.
- b. On-site interviews are important to secure necessary field information.

C. Recommendations

- 1. Project management at the regional level should prepare guidelines to assist local field personnel on tax mapping work, particularly on property classification and adjustment factor issues.
- 2. There is a need for intensive monitoring of project management and technical quality of any ongoing tax mapping works. Monitoring must include problem solving, including changes and on-site re-training of personnel.

RECORDS CONVERSION AND MANAGEMENT

A. OUTPUTS

1. Training Packages - Two sets of training packages were prepared. The first set contained training materials consisting of principles and lecture/discussion portions of the seminar plus sample forms. The topics discussed in the lecture discussion include: (a) preliminary activities; (b) records conversion procedures; (c) guidelines for checking outputs; and (d) special topics on depreciation of buildings and machineries, tax assessment, tax rate imposition, powers and duties of provincial/municipal assessors, roles of assessors in revenue program, conversion of agricultural lands into non-agricultural uses and taxability of assessments.

The second training package contains group exercises used in the hands-on workshops.

2. Trained Personnel - A total of 225 participants attended the training program. The participants are composed of officials and staff of the treasurers and assessors offices, and personnel from the central and regional project management offices.
3. Issues Resolved - Issues raised during the training centered mostly on the technical aspects of records conversion operations. Examples of the technical issues resolved are on the application of schedule of values on lands, buildings and machineries; the different characteristics of special properties; and on the filling up of forms.

C. Lessons Learned

1. Field verification is a must for all property units.
2. The need to know and be familiar with the assessment regulations particularly: (a) classification and corresponding assessment level, (b) adjustment factor application, and (c) rules and regulations on special properties.

3. The need to be closely familiar with the schedule of market values and the corresponding classification and specifications.
4. There are further guidelines to be followed pertinent to assessment of special properties like condominium, mineral lands, memorial parks, resorts and aquaculture properties.

D. Recommendations -

1. Project management at the regional and provincial levels should prepare guidelines to assist technical personnel in the uniform and proper application of adjustment factors, assessment level and use of the schedule of market values.
2. There should be proper training of RPMO and PPMO staff on monitoring and the need to install a monitoring system.
3. There should be review of LGUs project implementation plan on the basis of realistic requirements.

TAX COLLECTION

A. Outputs

1. Training Packages - The first set of training packages consisted of the principles, basis and procedures for tax collection. The topics covered are: (a) overview of local revenue generation, (b) dealing with "up-to-date" accounts, (c) dealing with "delinquent" accounts, (d) collection and IEC planning, (e) enhancing local revenue generation, and (f) revenue analysis.

The second set of the training packages contains exercises for each of the topics discussed in the lectures.

2. Trained Personnel - There were 190 participants composed of treasurers and staff, and officials of the regional and central project management offices.
3. Issues Resolved - Management issues discussed include administration of logistics and personnel involved in tax collection. Examples include use of motorcycles; procurement of forms and other supplies; payment of wages and honoraria for staff; strategy for disbursements of funds and request for reimbursement from USAID; and involvement of local officials in tax collection. Approaches to these issues were discussed and illustrated. These issues were resolved by suggesting specific guideline and by assignment of proper responsibilities.

There were also general technical issues resolved: (a) computation of penalties, (b) how to explain to taxpayers the basis of the assessment, (c) various cases of exemption from real property tax, (d) cases of delinquent accounts requiring different strategies for tax collection, and (e) local tax ordinances that may be enacted by the LGUs to help increase local revenues.

B. Lessons Learned

1. Uniformity of Procedures - There is a need for uniform policies and guidelines from the Central Office particularly on the computation of penalties and the granting of discounts. In addition, there is also a need

to monitor compliance to the Department Directives and Regulations as a way of ensuring compliance.

2. Motivational Aspect - There appeared to be a motivational problem among treasurers in the implementation of the Department Directives and Regulations. This was particularly evident in the implementation of the cumulative computation of penalties. This would suggest the need to provide adequate information and guidelines especially for the municipal treasurers.
3. Strategies for Tax Collection Enforcement - Strategies were learned on tax collection enforcement that are applicable to special cases. Among the cases are properties covered by the Comprehensive Agrarian Reform Program, those held by the tax exempt institutions such as the Land Bank of the Philippines and electric cooperatives, properties that are already non-existent when acquired by the LGUs (e.g. demolished buildings) and disposition of properties after the lapse of the redemption period.
4. Integrity of Records and People Involved in Collection The success of the RPTA project depends on the integrity of the records. The moment the records are assailed as being unreliable, taxpayers will lose their confidence in the system. An essential requirement to the maintenance of the integrity of the records is the integrity of the people involved in the implementation of the project.
5. Need for Better Working Relationship Between Local Executives and Treasurers - It was noted that local executives need information about local finance which could not be met by treasurers either because of ignorance or failure to appreciate their requirements. This points to the need on the part of the treasurers to upgrade technical knowhow not only on fiscal administration but also on information needs of local executives.
6. Relationship Between Treasurers and Assessors - The treasurers cannot begin their works unless the assessors transmits to them the necessary documents.

D. Recommendations

1. There is a need for the Central Office to issue clear and uniform guidelines on the proper application of penalty rates provided under Joint Assessment Regulation 1-85 and Local Treasury Regulation 2-85.
2. There is a need for monitoring project implementation on the aspect of records management. Accurate records of collection and collectibles can only be obtained if the tax records are properly updated and filed. The result of tax collection campaigns can only be maximized if based on accurate records of delinquencies. In line with this, it is recommended that project monitoring should not only look into accomplishments but should also provide for the periodic review of the state of the tax records. This type of monitoring should be done more regularly by the RPMO who should also be prepared to provide technical assistance to weak municipalities.
3. Steps should be taken to strengthen the overall RPMOs. This is mainly because most of the participating LGUs are starting at the same level and not enough of them have advanced RPTA experience. The regional office could not rely on any past experience by LGUs which could provide the momentum for effective project implementation. However, the workshop revealed that there are a good number of Provincial and Municipal Treasurers who appear to be capable to lead their respective RPTA projects. These officials should be tapped by the regional office to assist in actual project management.

SYSTEMS MAINTENANCE

A. Outputs

1. Training Packages - Two sets of training packages were prepared. The first set is a training manual. It consists of principles, basis and procedures for systems maintenance and was mainly used as reference material for the lectures conducted during the seminar. The topics covered in the training manual are: (a) introduction to RPTA systems maintenance, (b) overview of RPTA outputs, (c) updating process, (d) overall process flowcharts, (e) overall systems maintenance priorities, and (f) action planning.

The second set of training package contains Group Exercise Kits which were used to provide "hands-on" learning opportunity to the participants. There are two Exercise Kits, one on the Updating Procedures and another on Systems Maintenance Action Planning.

2. Trained Personnel - A total of 136 participants attended the training program. The participants are those directly involved in RPTA activities from the central down to the municipal level.

B. Issues Resolved

1. Devolution of Authority - There exists a conflict in the delineation of functions between the Provincial Officials (Assessors and Treasurers) and Municipal Officials (corresponding Assessors and Treasurers). The training seminar partly served as a venue for discussing the critical issue of devolving authority to the municipal officials. It was noted that in the present set-up, most assessment (and even treasury) functions are being done in the Provincial Capitol. This issue was resolved by requesting the CPMO to issue clear and explicit guidelines.
2. Revision of Forms - Some of the forms used are plagued by problems like the lack of space for needed technical data or their inapplicability to rural situations in which most of the LGUs find themselves in, or what form takes the place of the defunct Tax Declaration. The resolution of the issues was again for the CPMO to issue the appropriate guidelines or revisions.

3. Additional Training - Most of the participants in this training occupy high positions in their respective offices. It was felt that their subordinates should also undergo training in systems maintenance.

C. Lessons Learned

1. Treasurers became aware of the operational details of the work of the assessors and the importance of cooperation between the offices for better service to the taxpayer. Coordination between offices is a critical requirement for the proper maintenance of the records of both offices.
2. The integrity of systems and procedures newly installed by the RPTA Project must be maintained. The moment the system is assailed to be unreliable, the taxpayers will lose their confidence in the system.
3. Records should be updated as soon as transactions occur since most updating works are chronologically sequenced. Most of the forms and information the records contain are well suited for computerization. The repetitive nature of the updating process ensures the advantage of computerization. The participants are aware of the usefulness of the computers in the maintenance of the records.
5. Some Municipal Assessors need technical training in assessment procedures. Knowledge of assessment regulations and laws should be enhanced. Updating procedures are quite routine as long as the staff concerned can identify the transactions involved and correspondingly conduct the proper assessment procedures.

D. Recommendations

1. Technical Training for Municipal Assessors - Most transactions are conducted in the Provincial Assessors' Offices. Current implementation of the project has brought out the technical capabilities and inadequacies of some municipal assessors on the various assessment functions. This should be reinforced by additional technical training on assessment procedures and by knowledge on existing assessment laws and regulations.

2. Inclusion of Systems Maintenance in LGUs Plans - Systems maintenance should be included in the yearly plans and programs of LGUs and should be part of the activities to be monitored by the Regional Office.
3. Study Proposed Changes in Forms - Study the suggested changes in forms and procedures brought out during the seminar/workshop. Adoption of the changes are recommended for the next RPTA Project and the subsequent revisions for LGUs with the installed RPTA systems.
4. Consider Computerization of Records - Records computerization should be strongly considered. However, before the computers are distributed to the beneficiaries, training for its proper use and maintenance is strongly recommended, initially for the heads of offices.
5. Review Status of Records Periodically - There is a need for monitoring project implementation on the aspect of records management. The results of tax collection campaigns can only be maximized if based on accurate records. In line with this, it is recommended that project monitoring should not only look into accomplishments but should also provide for the periodic review of the state of the records. This type of monitoring should be done more regularly by the RPMO who should also be prepared to provide technical assistance to weak municipalities.

MONITORING AND EVALUATION

A. Training Results

1. Attainment of Purpose - The evaluation results manifest high degree of attainment of purpose. Incremental rating in the post test indicated the enhancement of participants (total of 170) upgrading ranging from basic understanding of RPTA project processes to the development of skills in preparing and analysing reports. It also opened avenues for the solution of perceived and common problems.
2. Information Generated - The training became the venue for a two way learning process. The resource persons who were predominantly from the CPMO and RPMOs (Regions V & VI) gained critical information on the LGU environment and the current problems confronted by the LRM/RPTA implementing offices.

B. Insights and Analysis of Results

1. The CPMO had adequately provided enough avenues for the RPTA Project implementation. Support and organizational facilities are available for utilization.
2. The assimilation process by project actors at the local level varies. Most have responded fairly well but some were slow and henceforth had affected the project reporting and evaluation. However, this situation can be minimized with the existence of an organization like the RPMO which can regularly visit the LGUs to perform not only monitoring but also extension of technical assistance.
3. The LGUs are beginning to realize the enormity of tasks to be performed in the RPTA and consciously confronts the challenges. In fact, they have absorb many information as seen in the workshop outputs. Though their ideas are difficult to understand, the workshop exercises built some confidence on their part. They just have to be regularly updated, closely encouraged and assisted.
4. The LGUs should be assisted in preparing for the post project responsibilities such as output maintenance and orient them on opportunities and benefits of computerization.

- C. Recommendations - For all intents and purposes, all organizational level should conduct some adjustments. Among which that can improve the RPTA are the following:
1. Calling the CPMO for an RPTA Project policy review.
 2. Clearly defining organizational roles as it relate to project execution, monitoring and financing.
 3. Providing an expanded role for the RPMO and PPMO to check and validate physical accomplishments and financial reports, extension of technical assistance and approval of some key project decisions.
 4. Encouraging information exchange between and among project actors and regular updating or frequent dialogue on various processes of project execution.
 5. Stressing that the project is an augmentation to the regular functions of Assessors and Treasurers and that they should immediately assume the responsibilities of maintenance.
 6. Validating the impact of the various capability building interventions based on parameters such as quality of outputs, compliance to agreements and response time to project requirements.
 7. Initiating training on system maintenance and on computerization.

TECHNICAL ASSISTANCE

Records Computerization and Pilot Testing

Materials Development for IEC Campaign

RECORDS COMPUTERIZATION AND PILOT TESTING

A. Background

As noted in the body of the report, an external impact evaluation was conducted in September 1990. The evaluation noted the effectiveness of the RPTA component in Regions V and VI, which can be used for nationwide replication. However, there are also critical technical issues that need to be addressed immediately for a more successful and sustained systems installation. One of the most pressing issues pointed out in the evaluation is regarding records management and maintenance. According to the project field implementors, the manual recordkeeping system cannot keep up with the volume of tax records being generated. As a result, the possibility of computerized recordkeeping was explored.

Further, the issue of computerizing real property tax records has long been recognized not only by the field implementors but also by the top-level policy makers. As early as 1986, DOF contracted a local consulting firm under the World Bank-assisted Municipal Records Management Project. The consultants indicated the need for computerization of the RPTA system in some pilot areas, for eventual replication nationwide, due to the volume of RPTA records being maintained, the need for control over tax administration, the provision of timely and reliable information for management planning and decision-making, and the improvement of tax collection efficiency.

However, while the consultants' work was to have included systems implementation through the installation of the computerized system, the system was not developed or installed. Hence, in 1988, USAID funded a needs assessment by the Research Triangle Institute (RTI) for local government computerization, including RPTA. Among its other recommendations, the RTI recommended that billing and collection operations should be computerized as soon as possible.

With the exception of these studies, no follow-on activities were undertaken to develop a standardized system that could be implemented nationwide. As such, some of the LGUs initiated independent computerization efforts. At this point, a local consultant was contracted to develop a program for a standardized system for nationwide replication.

B. Major Activities Undertaken

1. Study of the Individual LGU Systems Design - The consultant conducted a study assessing the computerized systems design of the various LGUs with independent and on-going computerization activities. The study highlighted how the systems requirements have been defined, including the systems outputs.

2. Assessment of Systems Implementation - Based on the systems design study, the consultant assessed how successfully the designs are actually being implemented. The consultant pinpointed problems and issues, with special emphasis on records maintenance, cost-effectiveness and LGUs' capability to install, use and maintain the system. In addition, the consultant identified strategic segments to support tax collection that could readily be computerized by the pilot LGUs.

3. Development of Action Plan and Systems Framework - Based on the results of the above-mentioned activities, the consultant developed a detailed action plan for standardization of the RPTA computerized system for DOF implementation. The action plan included the recommended activities for other LGUs prior to implementation of any computerized system. In addition, an overall systems framework was developed to explain to LGUs the extent of the RPTA operations to be computerized.

4. Development of Systems Design and Pilot Testing - The RPTA systems computerization design was developed including the required program and installed in each of the two pilot LGUs in Regions V and VI.

Based on the pilot testing activities, the computerized program is now refined and will be prescribed by the DOF for nationwide adoption of LGUs that will computerize their RPTA records.

C. Recommendations

1. Replication of the RPTA computerized system should be made only after study of the individual LGU. This is because most of the LGUs outside of Regions V and VI are using varied property record forms.

2. Development of an urban-based RPTA computerized system must be made using the same data elements and names if in dBase. This is to allow the central and regional offices to have standard data and records format.

3. A long and medium-range plans on tax mapping and computerization must be developed for expansion of the pilot testing activities.

4. An information system plan should be required of any LGUs planning to computerize the RPTA records.

5. Users training should be conducted immediately after systems installation.

MATERIALS DEVELOPMENT FOR IEC CAMPAIGN

A. Background

It was recommended in the external impact evaluation that RPTA activities focus on actual property tax collection in addition to improving the assessment technique. Hence, as planned, there will be intensive information, education and communication (IEC) campaign as part of the tax collection enforcement activities. The plan includes development of the IEC program based on the results of a study conducted by the University of the Philippines Business Research Foundation in cooperation with the School of Mass Communications during the predecessor RPTA Project. The study is regarding the attitudes and information needs of property taxpayers and local government officials. It was noted in the study that the absence of sufficient basic information about the RPTA contributed significantly to the lack of cooperation, interest and appreciation by the taxpayers of their responsibilities for paying local government taxes and the need for real property tax.

The LRM/RPTA Central and Regional Project Management Offices, however, do not have the expertise to develop the required communication materials. Hence, technical assistance was provided by a consultant contractor. The assistance is to develop the IEC strategy and communication materials to support real property tax collection.

B. Outputs

A communication strategy, based on the above-mentioned study supplemented by a rapid assessment of information needs, was developed and addressed to two basic target audiences: owners of real property (taxpayers) and members of the tax collection organization (collectors). The tax collection agents were expanded from the treasury officials to other officials who are directly concerned about tax collection. The other officials include elective and appointed officials of LGUs.

With the approved communication strategy, IEC materials were developed, pretested and produced to generate interest, inform and motivate the target audiences towards the desired attitudes and predisposition to action.

The communication strategy and the support materials are briefly described below:

1. Target Audience

a. Real Property Owners and the Public - used to mean the collective consciousness of the general public about popular issues.

b. Auxillary Communicators

- Barangay officials as potential amplifiers/endorsers of RPTA-IEC messages.

- School teachers and Parents Teachers Association members as additional potential amplifiers/endorsers of RPTA-IEC messages.

c. Collectors - those within the formal DOF collection bureaucracy, including the officials and staff of the LGUs.

2. Objectives - The program makes a distinction between informational/educational (IE) and communication (motivational) objectives. Attainment of IE objectives is measured by the quality and quantity of messages absorbed by the target audience. The attainment of motivational objectives is measured by the quality and quantity of responses elicited by the communications in the target audience.

3. Positioning Strategy - The payment of real property tax is positioned in the minds of the target audiences as an act of protecting and improving their real properties.

4. Creative Tactics

a. Real property tax is renamed Amilyar which is derived from the old term that specifically refers to realty tax, Amilyaramente. (Rationale: the words "tax" and "buwis" have a sharp edge that aggravates a common unsympathetic attitude towards the concept of taxation. The use of Amilyar is intended to blunt that edge).

b. All executions maximize the use and visibility of Amilyar, and even call attention to the word itself so that it will become part of popular idiom.

c. All executions, whenever possible, redound to the paying of taxes to the benefit the taxpayer derives from the taxed real property, and imbue the concept of Amilyar with traditional Filipino values and patriotism.

5. Media Strategies

a. Primary Media

- Real Property Tax Calendar: For informational and educational messages to real property owners and auxillary communicators, messages to all target audiences. The format and longevity of a calendar lend themselves to informational and educational messages that shall necessarily be voluminous and sustained. The institutional nature of a calendar, the most consulted reference in most homes, lends itself to motivational messages.

- Radio Advertisements: For motivational messages to all audiences, and selected informational and educational messages to real property owners and auxillary communicators. Radio is still the medium with the greatest, and most cost-effective, reach of national audiences. And advertisements allow for selection of message idiom and broadcast time to optimize medium efficiency.

- Computer Programmed Storyboard Presentation: For informational and educational messages to collectors. To serve as material in briefing and consultative planning workshops on the RPTA collection drive.

The availability of computers in the RPTA pilot areas allows for a dynamic presentation to internal audiences which otherwise would have to be packaged in a sound slide presentation. Given available hardware, a computerized storyboard presentation is decidedly less expensive and more attractive, being novel than the conventional sound-slide format.

b. Secondary Media

- Print Ads: For informational and educational messages to real property owners and auxillary communicators, and motivational messages to all target audiences. The use of newspapers, which are

an authoritative medium, dramatize the seriousness of purpose of the collection drive.

- Posters: For informational and educational messages to real property owners and auxillary communicators, such as, announcement of deadlines or localized incentive schemes. Posters are most cost efficient for tactical and localized messages.

- Streamers: For the same purpose as posters. The use of streamers, which are highly visible tactical medium, also dramatize the seriousness of purpose of the RPTA program.

- Print-out Folders of Computerized Presentation: To serve as handouts in a briefing and consultative workshop on RPTA-IEC among collectors.

APPENDIX C

LIST OF COMMODITIES PROCURED UNDER THE LRM/RPTA PROJECT

<u>I T E M</u>	<u>NUMBER OF UNITS</u>
1. Airconditioner	6
2. Calculator	14
3. Computer	72
4. Dictating Machine	2
5. Electronic Scanner	14
6. Facsimile Machine	3
7. Filing Cabinet/Vault	4
8. Microcassette Transcriber	2
9. Mimeographing Machine	1
10. Motorcycles	486
11. Overhead Projector	14
12. Plain Paper Copier	11
13. Punching and Binding Machine	1
14. Slide Projector	14
15. Stencil Duplicator	28

LIST OF LGUS WITH COMPLETED LRM/RPTA PROJECTS

REGION V

Province of Albay

1. Bacacay
2. Daraga
3. Guinobatan
4. Jovellar
5. Malilipot
6. Malinao
7. Manito
8. Oas
9. Polangui
10. Rapu-rapu
11. Sto. Domingo
12. Tabaco
13. Tiwi
14. Legaspi City

Province of Camarines N

15. Basud
16. Capalonga
17. Jose Panganiban
18. Labo
19. Paracale
20. San Vicente

Province of Catanduanes

21. Baras
22. Bato
23. San Andres
24. San Miguel
25. Viga
26. Virac

Province of Camarines S

27. Baao
28. Bato
29. Bula
30. Calabanga
31. Caramoan

32. Libmanan
33. Pili
34. Ragay
35. Sipocot
36. Tigaon
37. Naga City

Province of Masbate

38. Aroroy
39. Baleno
40. Cawayan
41. Claveria
42. Dimasalang
43. Mandaon
44. Masbate
45. Milagros
46. San Jacinto

Province of Sorsogon

47. Bacon
48. Barcelona
49. Bulan
50. Bulusan
51. Irosin
52. Juban
53. Magallanes
54. Pilar
55. Sorsogon

REGION VI

Province of Aklan

1. Altavas
2. Balete
3. Batan
4. Banga
5. Busuanga
6. Ibajay
7. Kalibo
8. Lezo
9. Libacao
10. Madalag
11. Makato
12. Malay
13. Malinao
14. Nabas
15. New Washington

16. Numancia
17. Tangalan

Province of Antique

18. Anini-y
19. Barbasa
20. Belison
21. Bagasong
22. Caluya
23. Culasi
24. Dao
25. Hamtic
26. Laua-an
27. Libertad
28. Pandan
29. Patnongan
30. San Jose
31. San Remegio
32. Sebaste
33. Sibalom
34. Tibiao
35. Valderama

Province of Capiz

36. Cuartero
37. Dao
38. Dumalag
39. Dumarao
40. Ivisan
41. Jamindan
42. Ma-ayon
43. Mambusao
44. Panay
45. Panitan
46. Pilar
47. Pontevedra
48. President Roxas
49. Sopian
50. Sigma
51. Tapaz
52. Roxas City

Province of Iloilo

53. Ajuy
54. Alimodian
55. Anilao

56. Badiangan
57. Balasan
58. Banate
59. Barotac Nuevo
60. Barotac Viejo
61. Batad
62. Bingawan
63. Cabatuan
64. Calinog
65. Carles
66. Concepcion
67. Dingle
68. Duenas
69. Dumangas
70. Estancia
71. Guimbal
72. Igaras
73. Janiuay
74. Lambunao
75. Leganes
76. Lemery
77. Leon
78. Maasin
79. Miagao
80. Mina
81. New Lucena
82. Oton
83. Passi
84. Pavia
85. Pototan
86. San Dionisio
87. San Enrique
88. San Joaquin
89. San Miguel
90. San Rafael
91. Sta. Barbara
92. Sara
93. Tigbauan
94. Tubungan
95. Zarraga
- 96, Iloilo City

Sub-province of Guimaras

97. Buenavista
98. Jordan
99. Nueva Valencia

Province of Negros Occidental

100. Binalbagan
101. Calatrava
102. Candoni
103. Cauayan
104. E.B. Magalona
105. Escalante
106. Himamaylan
107. Hinigaran
108. Hinoba-an
109. Ilog
110. Isabela
111. Kabankalan
112. La Castellana
113. Manapla
114. Moises Padilla
115. Murcia
116. Pontevedra
117. Pulpandan
118. Sagay
119. San Enrique
120. Sipalay
121. Talisay
122. Tobaso
123. Valladolid
124. Victorias
125. Bacolod City
126. Bago City
127. Cadiz City
128. La Carlota City
129. San Carlos City
130. Silay City