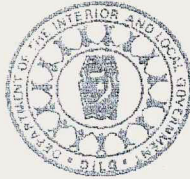


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Ms. Lita,
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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT
Francisco Gold Condominium II, EDSA cor. Mapagmahal St.,
Diliman, Quezon City

OFFICE OF THE SECRETARY

October 2, 2007

MEMORANDUM CIRCULAR
NO. 2007 - 132

TO : ALL PROVINCIAL GOVERNORS, CITY/MUNICIPAL MAYORS,
PUNONG BARANGAYS, SANGGUNIANG
PANLUNGSOD/BAYAN/BARANGAY, DILG REGIONAL
DIRECTORS, DILG FIELD OFFICERS AND OTHERS
CONCERNED

RE : GUIDELINES AND TIME PERIODS IN THE ISSUANCE OF
DEVELOPMENT PERMITS, MAYOR'S PERMITS AND
BARANGAY CLEARANCES FOR HOUSING PROJECTS

I. Prefatory Statement:

Just recently, RA 9485, otherwise known as the "Anti-Red Tape Act of 2007", has been enacted to eliminate graft and corruption in all government offices and agencies, including Local Government Units (LGUs), which provides front-line services to the public and called for the adoption of simplified procedures that will reduce red-tape and expedite transactions in the government.

Under the pertinent provisions of the Local Government Code, the power to process and approve subdivision plans for housing purposes has already been devolved to cities and municipalities through their respective Sanggunians.

In relation thereto, the Office of the President issued on 24 October 2001 Executive Order No. 45, whereby LGUs were directed to issue development permits in relation to housing projects within thirty (30) days from receipt of complete application.

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Reports and complaints reached this Department that there are undue delays in the issuance of development permits by the Sangguniang Panlungsod/Bayan, mayor's permit by the City/Municipal Mayor, and barangay clearances by the Punong Barangays. Worse, there have been reports that barangays are imposing exorbitant fees for barangay clearances, and even more worse, imposing fees not supported by barangay ordinance.

Premises considered, there is a need to clarify the procedures in the issuance of permits and clearances related to housing projects implemented by both government and private sectors.

I. Guidelines.

1. Per Executive Order No. 45 of the Office of the President, as aforementioned, Sangguniang Panlungsod/Bayan are hereby enjoined to strictly observed the time-frame provided for under said Executive Order and thus, shall act on applications for development permits for housing purposes within thirty (30) days from receipt of complete application therefor.

2. In this regard, said Sanggunians shall strictly observe Sections 458 (2) (x) and 447 (2) (x), respectively, of the Local Government Code, and by way of resolution, act on the application.

3. In securing barangay clearances before the issuance of the Mayor's permits, Section 152 (c) of the Local Government Code should strictly be observed by Punong Barangays. Said section provides that "no city or municipality may issue any license or permit for any business or activity unless a clearance is first obtained from the barangay where such business or activity is located or conducted. For such clearance, the Sangguniang Barangay may impose a reasonable fee. The application for clearance shall be acted upon within seven (7) working days from the filing thereof. In the event that the clearance is not issued within said period, the city or municipal mayor may issue the said license or permit".

4. In relation thereto, Section 131 (l) of the Local Government Code defined a fee as a charge fixed by law or ordinance for the regulation or inspection of a business or activity. Accordingly, the amount of "reasonable" fee, which shall be required for the issuance of barangay clearances for housing projects, should only be that amount limited to cover only the cost of regulation as fixed by the barangay ordinance. In the

absence of any barangay ordinance imposing that reasonable fee for the said barangay clearance, no fee should be collected in securing the same.



5. After the development permit has already been secured from the Sanggunian of the city or municipality concerned, as the case may be, and the barangay clearance from the Punong Barangay concerned has already been issued, the applicant shall now proceed to apply for a mayor's permit, in which case, the City or Municipal Mayor shall act on the application for a mayor's permit within fifteen (15) days from receipt thereof. In accordance with Republic Act No. 6713, otherwise known as the "Code of Conduct of Ethical Standards for Public Officials and Employees".

III. Governors are hereby directed to exercise their power of general supervision over component cities and municipalities per Section 29 of the Local Government Code in the implementation of this Memorandum Circular.

IV. All Regional Directors are hereby directed to monitor compliance with this Memorandum Circular by independent component cities and highly urbanized cities. In addition, they shall provide the widest dissemination of this Circular.

V. All concerned local officials are hereby reminded of the administrative sanctions provided for under Executive Order No. 45 and RA 9485 for failure to comply therewith and this issuance.

For guidance and strict compliance.


RONALDO V. PUNO
Secretary 

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