



DEPARTMENT OF BUDGET AND MANAGEMENT

BIGGER BUDGETS, MORE INVESTMENTS FOR NUTRITION: DEVOLUTION OF NUTRITION SERVICES IN LIGHT OF THE MANDANAS RULING IN 2022

Virtual Dialogue with Punong Barangays: Enabling Nutrition Devolution

October 2021 | November 2021 | February 2022

OUTLINE OF PRESENTATION

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Internal Revenue Allotment and Supreme Court Ruling on the Mandanas Case

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Full Devolution as Measure to Mitigate Impact of Supreme Court Decision on the Mandanas Case

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Salient Features of the Executive Order No. 138

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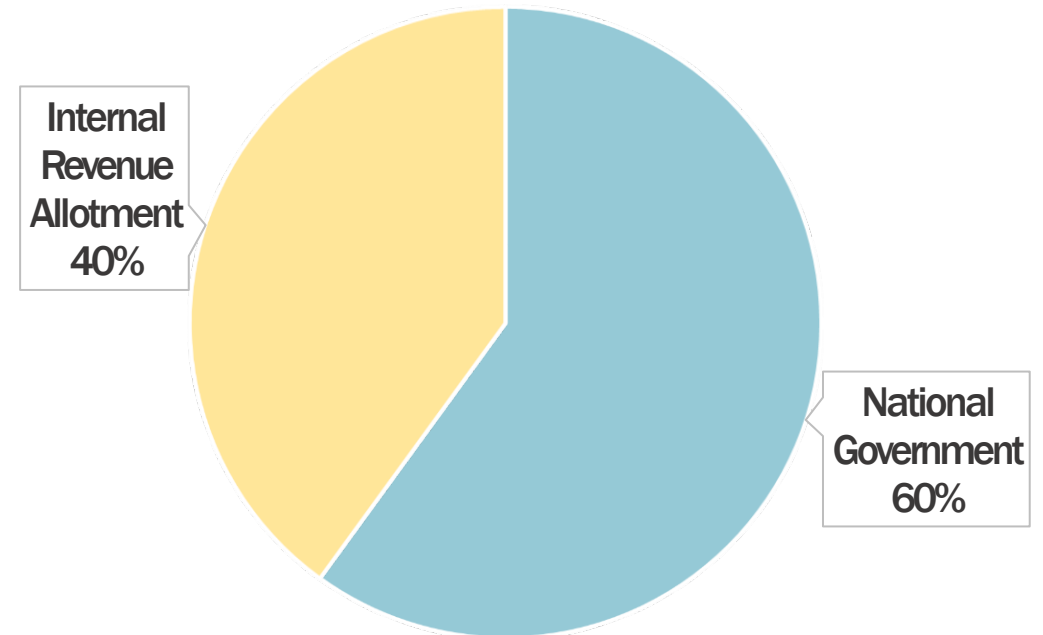
Devolution of Nutrition Services to Local Government Units

IRA AND THE SC RULING ON THE MANDANAS CASE

INTERNAL REVENUE ALLOTMENT

- LGUs shall have a just share, as determined by law, in the national taxes which shall be automatically released to them.
- Forty percent (40%) of the share in the national internal revenue taxes (NIRT) based on the collection of the third fiscal year preceding the current fiscal year will be given to LGUs

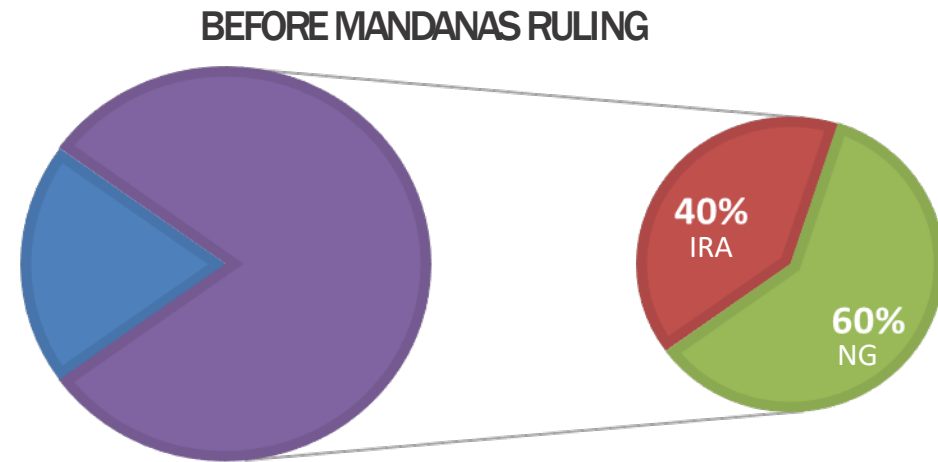
NATIONAL INTERNAL REVENUE TAXES



IRA AND THE SC RULING ON THE MANDANAS CASE

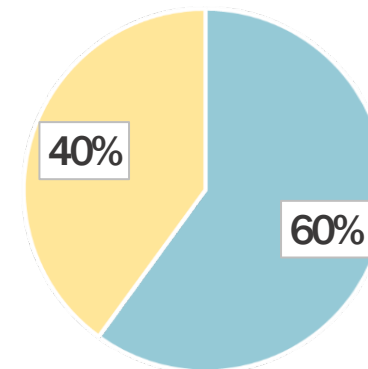
SUPREME COURT RULING ON THE MANDANAS CASE

- The Supreme Court (SC) ruled that the just share of LGUs from the national taxes is not limited to “national internal revenue taxes” collected by the Bureau of Internal Revenue (BIR) but includes collections (customs duties) by the Bureau of Customs (BOC) and other collecting agencies.



NATIONAL TAXES

AFTER MANDANAS RULING (NATIONAL TAXES)



■ National Government

■ Internal Revenue Allotment



FULL DEVOLUTION AS A MEASURE TO MITIGATE THE FISCAL IMPACT OF THE MANDANAS RULING



FULL DEVOLUTION AS A MEASURE TO MITIGATE THE FISCAL IMPACT OF THE MANDANAS RULING

- Sec. 17 of the LGC mandates the devolution of basic services and facilities to LGUs
- However, many national agencies continue to provide these services/facilities
- For fiscal sustainability, the devolved functions must permanently be taken out from the national agencies to empower the LGUs to assume them



Adapted from Powers and Devolved Services of Local Government Units (LGUs) by Dr. Maria Ela Atienza (Professor and Chair), Asst. Prof. Jan Robert Go (Assistant Professor), and Herby Jireh Esmeralda (Research Assistant). Retrieved from <https://halalan.up.edu.ph/powers-and-devolved-services-of-local-government-units-lgus/>

↑
IRA
shares

↓
NG fiscal
resources

EXECUTIVE ORDER NO. 138 DATED JUNE 1, 2021

FULL DEVOLUTION OF CERTAIN FUNCTIONS OF THE EXECUTIVE BRANCH TO LOCAL GOVERNMENTS



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 138

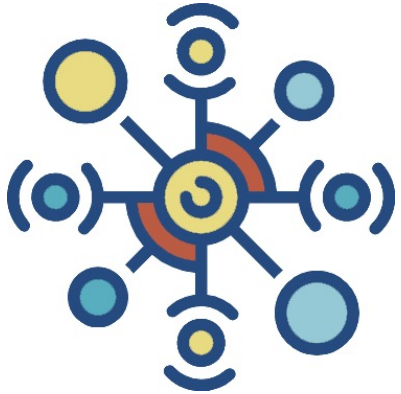
FULL DEVOLUTION OF CERTAIN FUNCTIONS OF THE EXECUTIVE
BRANCH TO LOCAL GOVERNMENTS, CREATION OF A COMMITTEE ON
DEVOLUTION, AND FOR OTHER PURPOSES

WHEREAS, Section 6, Article X of the Constitution provides that local government units (LGUs) shall have a just share, as determined by law, in the national taxes which shall be automatically released to them;

WHEREAS, in *Mandanas, et al. v. Executive Secretary, et al.* (G.R. Nos. 199802 and 208488) ("*Mandanas*"), the Supreme Court held that all collections of national taxes, except those accruing to special purpose funds and special allotments for the utilization and development of the national wealth, should be included in the computation of the base of the just share of LGUs;

WHEREAS, considering the prospective character of the *Mandanas* ruling, and in keeping with Section 284 of Republic Act (RA) No. 7160 or the "Local Government Code of 1991," which states that the share of LGUs in national taxes is based on the collections in the third year preceding the current fiscal year, the adjusted national tax allocations of LGUs shall only start in Fiscal Year (FY) 2022;

SALIENT FEATURES OF EXECUTIVE ORDER No. 138



**Delineation
of NG and
LGU Roles**



**Preparation of
Devolution
Transition Plans**

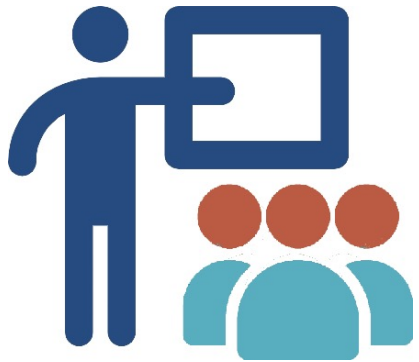


**Creation of
Committee
on
Devolution**



**Establishment of
Growth Equity Fund**

SALIENT FEATURES OF EXECUTIVE ORDER No. 138



**Capacity
Building
for LGUs**



Roles of LGUs



**Strengthening of Planning,
Investment Programming,
and Budgeting Linkage and
M&E Systems**




**Options for
Affected NGA
Personnel**



(Sections 3 and 4)

FUNCTIONS, SERVICES, AND FACILITIES FOR FULL DEVOLUTION

- Functions, basic services and facilities which have already been devolved based on Section 17 of the Local Government Code and other pertinent laws
 - Local governments shall be primarily and ultimately responsible and accountable for the provision of all basic services and facilities fully devolved to them.
 - Covers all LGUs and all departments, agencies, and instrumentalities of the Executive Branch with devolved functions to LGUs
- 

(Sections 5 and 10)

PREPARATION OF DEVOLUTION TRANSITION PLANS

NGA Devolution Transition Plan

- Identification of devolved functions and services and phasing of or strategy for devolution
- Definition of service delivery standards
- Capacity development strategy for LGUs and NGAs
- Framework for monitoring and performance assessment of LGUs
- Organizational effectiveness proposal

LGU Devolution Transition Plan

- LGUs to prepare their DTPs in close coordination with pertinent NGAs
- LGU DTPs to serve as guide on the monitoring and performance assessment of the LGUs by the NGAs concerned, DBM and DILG

(Section 6)

CREATION OF COMMITTEE ON DEVOLUTION



- To be composed of the following members:
 - Secretary of Budget and Management, as Chairperson;
 - Secretary of Interior and Local Government, as Co-Chairperson;
 - Executive Secretary, Secretaries of Socioeconomic Planning, Finance; and
 - Presidents of the Leagues of Provinces/Cities/Municipalities of the Philippines, Liga ng mga Barangay sa Pilipinas, and Union of Local Authorities of the Philippines, as members
- The ComDev shall designate a senior official to act as their permanent representative and shall be responsible for overseeing the overall efforts on the implementation of the EO.

(Section 8)

ESTABLISHMENT OF GROWTH EQUITY FUND

A Growth Equity Fund shall be established starting FY 2022 to address problem of marginalization, unequal development, and high poverty incidence across different LGUs.



(Sections 9 and 10)

CAPACITY DEVELOPMENT FOR LGUs

Capacity Development Agenda for LGUs to be formulated based on the DILG-LGA assessment framework and guided by the strategies identified by the NGAs, local development thrusts, and performance goals and objectives.



DILG-Local Government Authority
Harmonize and oversee provision of needed capacity development interventions



Development Academy of the Philippines
Strengthen capabilities of local chief executives



DOF-Bureau of Local Government Finance
Conduct programs regarding revenue generation and fiscal management

(Section 10)

ROLE OF LGUs



**LGU Devolution
Transition Plan**



**Capacity
Development Agenda**



**Development of
Communications Plan and
Strategy**

(Section 11)

STRENGTHENING PLANNING, INVESTMENT PROGRAMMING AND BUDGETING LINKAGE AND MONITORING AND EVALUATION SYSTEMS



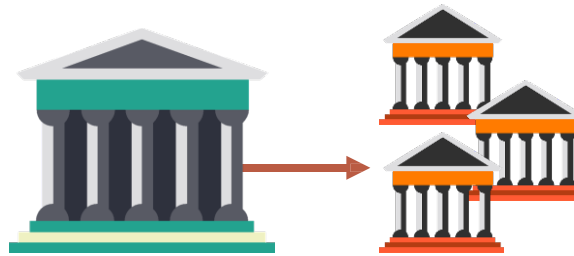
- Vertical and horizontal linkages across different levels of government in development planning, investment programming and budgeting to be strengthened
- Results-based monitoring and evaluation systems shall be in place and strengthened to ensure purposive conduct of evaluations in the performance and delivery of devolved functions and services

(Sections 12 to 15)

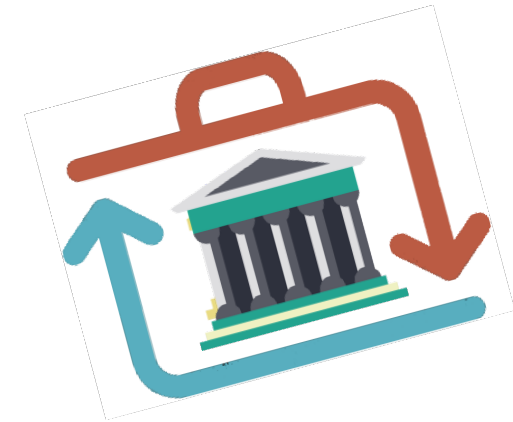
OPTIONS FOR AFFECTED PERSONNEL



Transfer to other units
within the agency



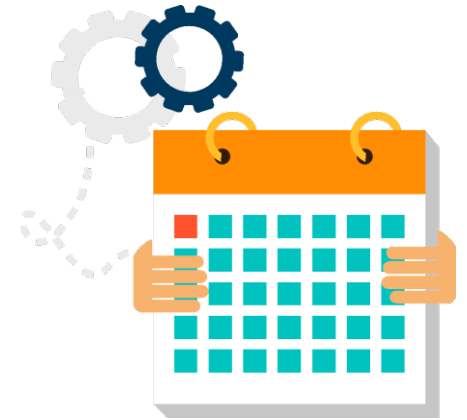
Transfer to other
agencies within the
Executive Branch



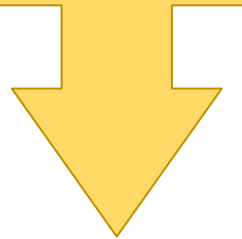
Retire or separate from the
service, and may be given
preference to vacant
positions in LGUs

NEXT STEPS / WAYS FORWARD:

- Issuance of the Implementing Rules and Regulations of the EO
- Conduct of Inception Workshops with LGUs
- Preparation and submission of transition plans of NGAs and LGUs
- Implementation of communications plan and strategy
- Development of framework for performance assessment of devolved functions
- Strengthening capacities of NGAs on monitoring and coaching functions
- Capacity building activities for LGUs through LGA, DAP, BLGF, and NGAs concerned



2021



2019 EXPANDED NATIONAL NUTRITION SURVEY

28.8%
STUNTED

19%
UNDERWEIGHT

5.8%
WASTED





NATIONAL GOVERNMENT COMMITMENT



TASK FORCE
ZERO HUNGER

The Inter-Agency Task Force on Zero Hunger created through EO No. 11 s., 2020 was mandated to formulate the NFP which outlines the national priorities and roadmap for achieving zero hunger.



DEVOLUTION OF NUTRITION SERVICES TO LOCAL GOVERNMENT UNITS



DEVOLUTION OF NUTRITION SERVICES

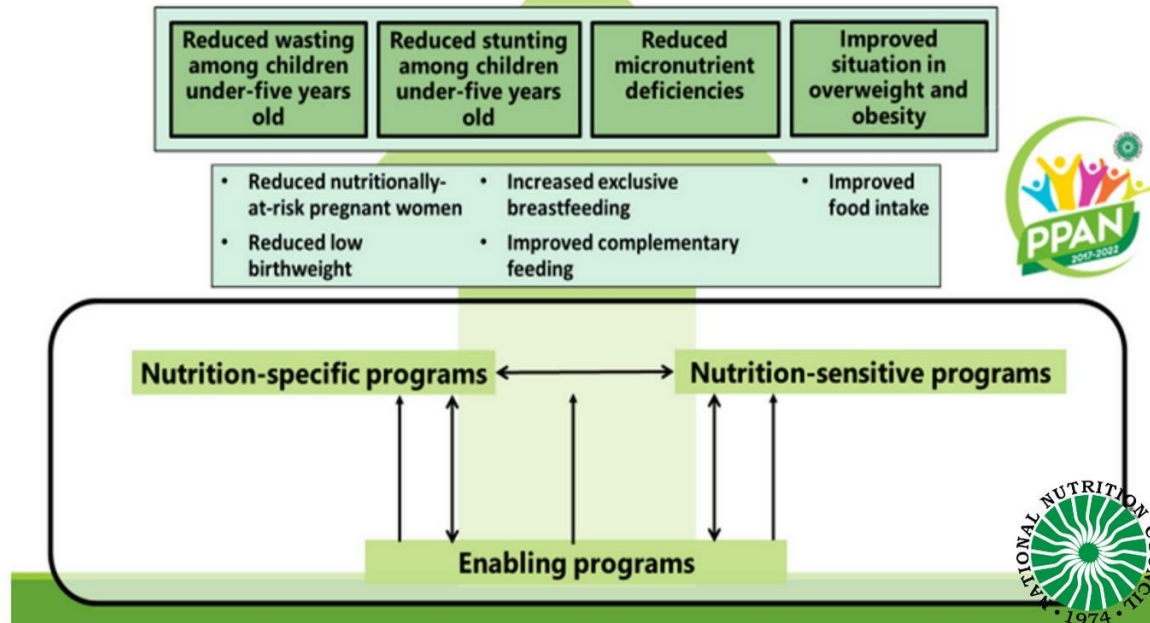
- Local budget plans and goals shall be harmonized with national development plans, goals, and strategies
- Section 305 (h) of RA No. 7160
- LGUs are enjoined to align their PPAs with the priorities of the National Government, specifically those embodied under the updated Philippine Development Plan for 2017-2022.
- The PPAs of LGUs shall have a results-oriented focus on national development goals and shall be in line with AMBISYON NATIN 2040, the 2030 Agenda for Sustainable Development, and the President's 0+10-Point Socio-Economic Agenda.



DEVOLUTION OF NUTRITION SERVICES TO LGUs

Philippine Plan of Action for Nutrition 2017-2022

Ambisyon 2040, Philippine Development Plan and Sustainable Development Goals



All LGUs are enjoined to **prioritize in the allocation of local funds the PPAs included in their respective local nutrition action plans**, which shall be formulated in accordance with the Philippine Plan of Action for Nutrition 2017-2022.

- Item 2.2.9 of LBM No. 82 dated June 14, 2021
- Item 2.2.8 of LBM No. 80 dated May 18, 2020

DEVOLUTION OF NUTRITION SERVICES TO LGUs

Agency	Program/Project/Activity to be devolved
DSWD	Supplementary Feeding Program <ul style="list-style-type: none">• Provision of Hot Meals• Gathering and monthly monitoring of Anthropometric data• Establishment of a referral system for undernourished children beneficiary who needs further medical attention to RHUs• Establishment/Improvement and maintenance of WASH facilities

LOCAL BUDGET CIRCULAR NO. 137 DATED JULY 13, 2021

INDEX OF OCCUPATIONAL SERVICES, POSITION TITLES AND SALARY GRADES IN THE LOCAL GOVERNMENT, CY 2021 EDITION



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

LOCAL BUDGET CIRCULAR

No. 137
July 13, 2021

TO : All Provincial Governors; City and Municipal Mayors; Members of the Sangguniang Panlalawigan/Panlungsod/Bayan; Barangay Chairmen; National/Provincial/City/Municipal Presidents, Liga ng mga Barangay; Provincial/ City/Municipal Budget Officers; Provincial/City/Municipality Human Resource Management Officers; Regional Directors of the Department of the Interior and Local Government, Department of Finance, Civil Service Commission, Commission on Audit; and All Others Concerned


SUBJECT: Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition

- 1.0 Pursuant to the mandate of the Department of Budget and Management (DBM) as the administrator of the Compensation and Position Classification System (CPCS) established under Republic Act (RA) No. 6758 dated August 21, 1989¹, and Section 3 (b) of Congress Joint Resolution (JR) No. 4 dated July 28, 2009², and the authority of this Department under Administrative Order No. 42, s. 1993³ to continue to prescribe policies, standards and rules on compensation and position classification in the local government, an updated **Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU for brevity)** is hereby issued.
- 2.0 The IOS-LGU, CY 2021 Edition contains the updated list of classes or position titles existing in the local government units (LGUs) that are grouped by occupation.



INDEX OF OCCUPATIONAL SERVICES, POSITION TITLES AND SALARY GRADES IN BARANGAY

Positions	Salary Grade
Punong Barangay	14
Sangguniang Barangay Member	10
Barangay Secretary	10
Barangay Treasurer	10



INDEX OF OCCUPATIONAL SERVICES, POSITION TITLES AND SALARY GRADES IN BARANGAY

Positions	Salary Grade
Administrative Aide I (Utility Worker I)	1
Administrative Aide III (Clerk I)	3
Administrative Aide IV (Accounting Clerk I)	4
Barangay Health Aide	4
Revenue Collection Clerk I	5
Day Case Worker I	6
Administrative Assistant I	7
Administrative Assistant II	8

Thank you!

