

XV. DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

A. OFFICE OF THE SECRETARY

STRATEGIC OBJECTIVES

SECTOR OUTCOME

Sustainable development-oriented local government

ORGANIZATIONAL OUTCOME

1. Transparency and accountability of all LGUs sustained
2. LGU capacity to prepare and build resiliency to disasters and adapt to climate change enhanced
3. LGU capacity to be business friendly and competitive enhanced
4. LGU capacity to develop and implement social protection and security mechanisms for local communities, especially the marginalized and vulnerable groups enhanced

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Foster and sustain transparency, accountability and high level of performance among LGUs
2. Improve LGU readiness in dealing with disasters and climate change
3. Improve the business competitiveness of selected LGUs and widen people's access to livelihood and employment opportunities
4. Improve LGU capacity to deliver basic services especially to the poor and / or marginalized

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	BASELINE	2017 TARGETS
Transparency and accountability of all LGUs sustained		
% of LGUs fully complying with the Full Disclosure Policy	1,615 LGUs	75% of provinces, cities and municipalities
LGU capacity to prepare and build resiliency to disasters and adapt to climate change enhanced		
% of LGUs with plans, policies, programs and projects on Disaster Risk Reduction and Management (DRRM) and Climate Change Adaptation (CCA)		5% increase in the no. of LGUs (from the previous year)
LGU capacity to be business friendly and competitive enhanced		
% of LGUs with plans, policies, programs and projects that improve competitiveness		10% increase in the no. of LGUs (from the previous year)

XV. DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

A. OFFICE OF THE SECRETARY

For general administration and support, support to operations, and operations, including locally-funded and foreign assisted projects, as indicated hereunder..... P 8,240,506,000

New Appropriations, by Program/Projects

Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS				
General Administration and Support	P 288,888,000	P 232,139,000	P 46,570,000	P 567,597,000
Support to Operations	89,225,000	321,045,000		410,270,000
Operations	2,189,022,000	1,366,393,000		3,555,415,000
MFO 1: LG CAPACITY DEVELOPMENT AND PERFORMANCE OVERSIGHT AND INCENTIVE AND AWARDS SERVICES	2,189,022,000	1,366,393,000		3,555,415,000
Total, Programs	P 2,567,135,000	P 1,919,577,000	P 46,570,000	P 4,533,282,000
PROJECT(S)				
Locally-Funded Project(s)	15,525,000	3,678,699,000		3,694,224,000
Foreign-Assisted Project(s)		13,000,000		13,000,000
Total, Project(s)	15,525,000	3,691,699,000		3,707,224,000
TOTAL NEW APPROPRIATIONS	P 2,582,660,000	P 5,611,276,000	P 46,570,000	P 8,240,506,000

Special Provision(s)

1. Performance-Based Challenge Fund. The amount of One Billion Three Million Seven Hundred Thousand Pesos (P1,003,700,000) appropriated herein for the Performance-Based Challenge Fund shall cover the financial subsidy to qualified LGUs under the Local Governance Performance Management Program for the implementation of priority projects to ensure compliance by the LGUs with the Ecological Solid Waste Management Act of 2000 and Philippine Disaster Risk Reduction Management Act of 2010, enhance transparency and accountability in all local government transactions, and maintain core road network to boost tourism and local economic development.

The DILG shall submit to the DBM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Secretary of the Interior and Local Government and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the DILG website.

2. Potable Water Supply Project. The amount of One Billion Five Hundred Seventy Three Million One Hundred Fifty Thousand Pesos (P1,573,150,000) appropriated herein for the Potable Water Supply Project to waterless municipalities and barangays shall be implemented subject to the execution of a MOA between the DILG and LGUs for Levels 1 and 2 and among the DILG, LGUs and Local Water Utilities Administration for Level 3.

3. Capacity Enhancement Program for People's Law Enforcement Board. The amount of One Hundred Million Pesos (P100,000,000) shall be used for the implementation and capacity enhancement of the People's Law Enforcement Board to ensure its functionality and effectiveness in accordance to the provisions of R.A. No. 6975 and R.A. No. 8551.

The DILG and its attached agencies and other stakeholders shall implement the program based on the design and guidelines issued by DILG.

4. **Improve LGU Competitiveness and Ease of Doing Business.** The amount of Forty Million Pesos (P40,000,000) appropriated herein shall focus on improving the competitiveness and facilitating local economic development by encouraging public private partnerships and promoting ease of doing business among local governments.

5. **Implementation of Environmental Laws.** The local government units shall be primarily responsible for the implementation and enforcement of environmental laws, including but not limited to the Philippine Clean Air Act, the Philippine Clean Water Act, the Ecological Solid Waste Management Act and the National Pollution Control Decree within their respective jurisdiction.

The LGUs shall implement the air quality standards, including the noise standards, set by the Department of Environment and Natural Resources (DENR).

6. **Comprehensive Land Use Plan of LGUs.** The LGUs, with the assistance of the DILG, shall take into consideration the vulnerability and risk assessment of the DENR in developing the comprehensive land use plan and in enacting the appropriate zoning ordinances.

7. **Local Disaster Risk Reduction and Management Office.** The DILG shall ensure the creation of the Local Disaster Risk Reduction and Management Office (LDRMO) in all LGUs pursuant to R. A. No. 10121 or the Philippine Disaster Risk Reduction and Management Act of 2010.

8. **Council for the Promotion of Culture and the Arts.** The DILG shall ensure the establishment of a council whose purpose is the promotion of culture and the arts in all provinces, cities and municipalities, pursuant to R. A. No. 7160 or the Local Government Code.

9. **Evacuation Centers.** In the design and construction of evacuation centers, the DILG shall ensure that the centers can withstand wind speed of three hundred (300) kilometers per hour and moderate seismic activity of at least 8.0 magnitude on the richter scale; utilize natural ventilation and rainwater through the inclusion of a rainwater catchment/harvesting system; and include facilities for the special needs of women, children, the elderly, persons with disabilities (PWDs) and such other physical provisions guaranteeing a humane condition for evacuees. In the selection of sites, the DILG shall consider site stability and susceptibility to landslide or flooding based on the latest vulnerability, risk assessment and geohazard maps of the DENR. No center shall be located on a no-build zone.

The evacuation centers shall be turned over to the LGU concerned which shall be responsible for the maintenance and operation of the centers. (CONDITIONAL IMPLEMENTATION- President's Veto Message, December 22, 2016, Volume I-B, page 660, R.A. No. 10924)

10. **Prohibition Against New Illegal Structures.** The DILG shall ensure that municipal or city government units and barangays shall prevent the construction of any kind of illegal dwelling unit or structures within their respective localities.

The head of any local government unit who allows, abets or otherwise tolerates the construction of any structure in violation of this section shall be liable to administrative sanctions under existing laws and to penal sanctions provided for under R. A. No. 7279.

11. **Containment of the Cleared Areas.** The concerned LGUs shall be responsible for preventing the construction of any kind of structures or illegal dwelling units in the areas that have been cleared and shall ensure that the vacated areas are not reoccupied. In case of waterways that have been cleared, it shall maintain at least three (3) meters clearance from the riverbanks (easement). No permit for residential or other purposes shall be issued for the site by any government agency or instrumentality. The concerned LGUs, through the National Prosecution Service of the Department of Justice (DOJ), shall also exercise their power to prosecute professional squatters or members of a squatting syndicate and any individual or group who will occupy or cause other persons to occupy the cleared areas. LGU officials who failed to implement this provision shall be held liable under existing laws.

12. **Monitoring of the Support for the Assistance to Municipalities (Empowerment Fund).** The amount of Three Hundred Fifty Million Pesos (P350,000,000) appropriated herein for support for the Assistance to Municipalities (Empowerment Fund) shall be used to perform the following tasks: (i) oversee the over-all implementation of the Assistance to Disadvantaged Municipalities Program; and (ii) ensure that the Local Development Council (LDC) in LGUs at all levels are fully functional and shall comply with the requirements provided in Title VI of Republic Act No. 7160 otherwise known as the Local Government Code of 1991. The DILG shall issue guidelines in making sure that Local Development Plans approved by all LDCs are processed accordingly and contribute to the realization of a responsive national priorities and budget.

The DILG shall submit to the DBM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations, and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the status of LDC functionalities and its conformity to existing laws, regulations and guidelines promulgated.

13. **Community Early Warning System.** The DILG shall ensure that local government units establish and maintain an efficient and effective early warning system to enable the individuals and communities threatened by typhoon, flood, tsunami and other impending hazards to respond in a timely manner to reduce the possibility of harm or loss.

14. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
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PROGRAMS

General Administration and Support

General Management and Supervision	P	141,747,000	P	196,629,000	P	46,570,000	P	384,946,000
National Capital Region (NCR)		141,747,000		196,629,000		46,570,000		384,946,000
Central Office		141,747,000		196,629,000		46,570,000		384,946,000
Provision for Secretariat Services to the Peace and Orders Councils (POCs)				35,510,000				35,510,000
National Capital Region (NCR)				28,034,000				28,034,000
Central Office				27,412,000				27,412,000
Regional Office - NCR				622,000				622,000
Region I - Ilocos				479,000				479,000
Regional Office - I				479,000				479,000
Cordillera Administrative Region (CAR)				358,000				358,000
Regional Office - CAR				358,000				358,000
Region II - Cagayan Valley				430,000				430,000
Regional Office - II				430,000				430,000
Region III - Central Luzon				578,000				578,000
Regional Office - III				578,000				578,000
Region IVA - CALABARZON				341,000				341,000
Regional Office - IVA				341,000				341,000
Region IVB - MIMAROPA				336,000				336,000
Regional Office - IVB				336,000				336,000
Region V - Bicol				357,000				357,000
Regional Office - V				357,000				357,000
Region VI - Western Visayas				561,000				561,000
Regional Office - VI				561,000				561,000
Region VII - Central Visayas				575,000				575,000
Regional Office - VII				575,000				575,000
Region VIII - Eastern Visayas				587,000				587,000
Regional Office - VIII				587,000				587,000
Region IX - Zamboanga Peninsula				383,000				383,000
Regional Office - IX				383,000				383,000
Region X - Northern Mindanao				534,000				534,000
Regional Office - X				534,000				534,000

Region XI - Davao	592,000		592,000
Regional Office - XI	592,000		592,000
Region XII - SOCCSKSARGEN	1,002,000		1,002,000
Regional Office - XII	1,002,000		1,002,000
Region XIII - CARAGA	363,000		363,000
Regional Office - XIII	363,000		363,000
Administration of Personnel Benefits	147,141,000		147,141,000
National Capital Region (NCR)	147,141,000		147,141,000
Central Office	147,141,000		147,141,000
Sub-total, General Administration and Support	288,888,000	232,139,000	46,570,000
Support to Operations			
Development of policies, programs, and standards for local government capacity development and performance oversight	89,225,000	18,243,000	107,468,000
National Capital Region (NCR)	89,225,000	18,243,000	107,468,000
Central Office	89,225,000	18,243,000	107,468,000
Monitoring and Evaluation for the Assistance to Municipalities' Projects	302,802,000		302,802,000
National Capital Region (NCR)	302,802,000		302,802,000
Central Office	302,802,000		302,802,000
Sub-total, Support to Operations	89,225,000	321,045,000	410,270,000
Operations			
MFO 1: LG CAPACITY DEVELOPMENT AND PERFORMANCE OVERSIGHT AND INCENTIVE AND AWARDS SERVICES	2,189,022,000	1,366,393,000	3,555,415,000
Supervision and Development of Local Governments	2,189,022,000	362,693,000	2,551,715,000
National Capital Region (NCR)	117,255,000	21,542,000	138,797,000
Regional Office - NCR	117,255,000	21,542,000	138,797,000
Region I - Ilocos	151,372,000	22,907,000	174,279,000
Regional Office - I	151,372,000	22,907,000	174,279,000
Cordillera Administrative Region (CAR)	123,871,000	21,418,000	145,289,000
Regional Office - CAR	123,871,000	21,418,000	145,289,000
Region II - Cagayan Valley	128,940,000	22,490,000	151,430,000
Regional Office - II	128,940,000	22,490,000	151,430,000

Region III - Central Luzon	170,188,000	22,909,000		193,097,000
Regional Office - III	170,188,000	22,909,000		193,097,000
Region IVA - CALABARZON	184,087,000	25,066,000		209,153,000
Regional Office - IVA	184,087,000	25,066,000		209,153,000
Region IVB - MIMAROPA	110,200,000	20,330,000		130,530,000
Regional Office - IVB	110,200,000	20,330,000		130,530,000
Region V - Bicol	159,459,000	22,634,000		182,093,000
Regional Office - V	159,459,000	22,634,000		182,093,000
Region VI - Western Visayas	190,101,000	23,339,000		213,440,000
Regional Office - VI	190,101,000	23,339,000		213,440,000
Region VII - Central Visayas	169,650,000	23,068,000		192,718,000
Regional Office - VII	169,650,000	23,068,000		192,718,000
Region VIII - Eastern Visayas	170,176,000	22,888,000		193,064,000
Regional Office - VIII	170,176,000	22,888,000		193,064,000
Region IX - Zamboanga Peninsula	93,516,000	23,351,000		116,867,000
Regional Office - IX	93,516,000	23,351,000		116,867,000
Region X - Northern Mindanao	133,080,000	24,301,000		157,381,000
Regional Office - X	133,080,000	24,301,000		157,381,000
Region XI - Davao	90,640,000	21,760,000		112,400,000
Regional Office - XI	90,640,000	21,760,000		112,400,000
Region XII - SOCCSKSARGEN	93,531,000	23,731,000		117,262,000
Regional Office - XII	93,531,000	23,731,000		117,262,000
Region XIII - CARAGA	102,956,000	20,959,000		123,915,000
Regional Office - XIII	102,956,000	20,959,000		123,915,000
Local Governance Performance Management Program-Performance-Based Challenge Fund for Local Government Units		1,003,700,000		1,003,700,000
National Capital Region (NCR)		1,003,700,000		1,003,700,000
Central Office		1,003,700,000		1,003,700,000
Operations	2,189,022,000	1,366,393,000		3,555,415,000
Programs and Activities	2,567,135,000	1,919,577,000	46,570,000	4,533,282,000

PROJECT(S)

Locally-Funded Project(s)

Roads and Bridges	564,256,000	564,256,000
Local Roads	564,256,000	564,256,000
Support to Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement	564,256,000	564,256,000
National Capital Region (NCR)	564,256,000	564,256,000
Central Office	564,256,000	564,256,000
Water Management	1,573,150,000	1,573,150,000
Water Supply	1,573,150,000	1,573,150,000
Provision for Potable Water Supply (SALINTUBIG)	1,573,150,000	1,573,150,000
National Capital Region (NCR)	60,420,000	60,420,000
Central Office	60,420,000	60,420,000
Region I - Ilocos	100,000,000	100,000,000
Regional Office - I	100,000,000	100,000,000
Cordillera Administrative Region (CAR)	24,000,000	24,000,000
Regional Office - CAR	24,000,000	24,000,000
Region II - Cagayan Valley	48,000,000	48,000,000
Regional Office - II	48,000,000	48,000,000
Region III - Central Luzon	24,730,000	24,730,000
Regional Office - III	24,730,000	24,730,000
Region IVA - CALABARZON	114,000,000	114,000,000
Regional Office - IVA	114,000,000	114,000,000
Region IVB - MIMAROPA	103,000,000	103,000,000
Regional Office - IVB	103,000,000	103,000,000
Region V - Bicol	159,000,000	159,000,000
Regional Office - V	159,000,000	159,000,000
Region VI - Western Visayas	170,000,000	170,000,000
Regional Office - VI	170,000,000	170,000,000
Region VII - Central Visayas	163,000,000	163,000,000
Regional Office - VII	163,000,000	163,000,000

Region VIII - Eastern Visayas	113,000,000	113,000,000
Regional Office - VIII	113,000,000	113,000,000
Region IX - Zamboanga Peninsula	126,000,000	126,000,000
Regional Office - IX	126,000,000	126,000,000
Region X - Northern Mindanao	76,000,000	76,000,000
Regional Office - X	76,000,000	76,000,000
Region XI - Davao	108,000,000	108,000,000
Regional Office - XI	108,000,000	108,000,000
Region XII - SOCCSKSARGEN	114,000,000	114,000,000
Regional Office - XII	114,000,000	114,000,000
Region XIII - CARAGA	70,000,000	70,000,000
Regional Office - XIII	70,000,000	70,000,000
Economic Development	44,170,000	44,170,000
Trade and Industry	44,170,000	44,170,000
Building Business Friendly and Competitive LGUs	4,170,000	4,170,000
National Capital Region (NCR)	4,170,000	4,170,000
Central Office	4,170,000	4,170,000
Improve LGU Competitiveness and Ease of Doing Business	40,000,000	40,000,000
National Capital Region (NCR)	40,000,000	40,000,000
Central Office	40,000,000	40,000,000
Environmental Protection	27,000,000	27,000,000
Protection of Biodiversity and Landscape	27,000,000	27,000,000
Manila Bay Clean-Up	10,000,000	10,000,000
National Capital Region (NCR)	10,000,000	10,000,000
Central Office	10,000,000	10,000,000
Mainstreaming Disaster Risk Reduction - Climate Change Adaptation in Local Development Planning	17,000,000	17,000,000
National Capital Region (NCR)	17,000,000	17,000,000
Central Office	17,000,000	17,000,000
Governance	15,525,000	1,114,430,000
General Public Services	500,000,000	500,000,000

Support for the Assistance to Municipalities (Empowerment Fund)		350,000,000	350,000,000
National Capital Region (NCR)		350,000,000	350,000,000
Central Office		350,000,000	350,000,000
Implementation of the People's Law Enforcement Board (PLEB)		100,000,000	100,000,000
National Capital Region (NCR)		100,000,000	100,000,000
Central Office		100,000,000	100,000,000
Transition to Federalism		50,000,000	50,000,000
National Capital Region (NCR)		50,000,000	50,000,000
Central Office		50,000,000	50,000,000
Public Order and Safety	15,525,000	84,380,000	99,905,000
911 Emergency Services	15,525,000	84,380,000	99,905,000
National Capital Region (NCR)	15,525,000	84,380,000	99,905,000
Central Office	15,525,000	84,380,000	99,905,000
Capacity Development		500,000,000	500,000,000
Mamamayang Ayaw sa Anomalya, Mamamayang Ayaw Sa Illegal na Droga (MASA-MASID)		500,000,000	500,000,000
National Capital Region (NCR)		500,000,000	500,000,000
Central Office		500,000,000	500,000,000
Governance and Accountability Improvement		30,050,000	30,050,000
Civil Society Organization/Peoples Participation Partnership Program		22,000,000	22,000,000
National Capital Region (NCR)		22,000,000	22,000,000
Central Office		22,000,000	22,000,000
Lupong Tagapamayapa Incentives Awards		8,050,000	8,050,000
National Capital Region (NCR)		8,050,000	8,050,000
Central Office		8,050,000	8,050,000
Social Protection		355,693,000	355,693,000
Housing		355,693,000	355,693,000
Capacitating LGUs on Housing and Resettlement		355,693,000	355,693,000
National Capital Region (NCR)		355,693,000	355,693,000
Central Office		355,693,000	355,693,000
Sub-total, Locally-Funded Project(s)	15,525,000	3,678,699,000	3,694,224,000

Foreign-Assisted Project(s)

Environmental Protection	13,000,000	13,000,000
Protection of Biodiversity and Landscape	13,000,000	13,000,000
Disaster Risk Management - Institutional Strengthening (DRM-IS) Technical Assistance Project	13,000,000	13,000,000
National Capital Region (NCR)	13,000,000	13,000,000
Central Office	13,000,000	13,000,000
Sub-total, Foreign-Assisted Project(s)	13,000,000	13,000,000
Total Project(s)	15,525,000	3,691,699,000

3,707,224,000

TOTAL NEW APPROPRIATIONS

P 2,582,660,000 P 5,611,276,000 P 46,570,000 P 8,240,506,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

1. Programs/Locally-Funded and Foreign Assisted Project(s)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

1,833,060

Total Permanent Positions

1,833,060

Other Compensation Common to All

Personnel Economic Relief Allowance

102,072

Representation Allowance

35,976

Transportation Allowance

35,976

Clothing and Uniform Allowance

21,265

Mid-Year Bonus - Civilian

152,756

Year End Bonus

152,756

Cash Gift

21,265

Step Increment

10,848

Productivity Enhancement Incentive

21,265

Total Other Compensation Common to All

554,179

Other Compensation for Specific Groups

Other Personnel Benefits

14,730

Total Other Compensation for Specific Groups

14,730

Other Benefits	
PAG-IBIG Contributions	5,106
PhilHealth Contributions	14,080
Employees Compensation Insurance Premiums	5,106
Retirement Gratuity	99,954
Terminal Leave	40,920
Total Other Benefits	165,166
Non-Permanent Positions	
	15,525
Total Personnel Services	2,582,660
Maintenance and Other Operating Expenses	
Travelling Expenses	294,368
Training and Scholarship Expenses	967,271
Supplies and Materials Expenses	112,452
Utility Expenses	65,338
Communication Expenses	130,380
Awards/Rewards and Prizes	5,520
Confidential, Intelligence and Extraordinary Expenses	
Confidential Expenses	20,600
Extraordinary and Miscellaneous Expenses	4,472
Professional Services	432,092
General Services	474,242
Repairs and Maintenance	48,149
Financial Assistance/Subsidy	2,873,610
Taxes, Insurance Premiums and Other Fees	13,648
Other Maintenance and Operating Expenses	
Advertising Expenses	3,191
Printing and Publication Expenses	36,607
Representation Expenses	2,212
Transportation and Delivery Expenses	4,541
Rent/Lease Expenses	120,400
Membership Dues and Contributions to Organizations	20
Subscription Expenses	1,663
Other Maintenance and Operating Expenses	500
Total Maintenance and Other Operating Expenses	5,611,276
Total Current Operating Expenditures	8,193,936
Capital Outlays	
Property, Plant and Equipment Outlay	
Machinery and Equipment Outlay	44,420
Intangible Assets Outlay	2,150
Total Capital Outlays	46,570
Total Programs/Locally-Funded and Foreign Assisted Project(s)	8,240,506
TOTAL NEW APPROPRIATIONS	8,240,506

LGU capacity to develop and implement social protection and security mechanisms for local communities, especially the marginalized and vulnerable groups enhanced

% of LGUs with plans, programs and projects for poverty reduction, social protection and security of local communities

10% increase in the no. of LGUs
(from the previous year)

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)

2017 Targets

MFO 1: LG CAPACITY DEVELOPMENT AND PERFORMANCE OVERSIGHT AND INCENTIVE AND AWARDS SERVICES

Number of LGUs provided with technical assistance	1,665 LGUs
Number of LGUs assessed on Seal on Good Local Governance (SGLG)	1,653 PCMs
% of LGUs that passed the Seal of Good Local Governance	5% increase
No. of LGUs provided with incentives for good governance performance	20% of qualified LGUs
No. of LGUs provided with TA in accordance to set timelines	All target LGUs