

D. LOCAL GOVERNMENT SUPPORT FUND

For financial subsidy to local government units, as indicated hereunder.....P39,759,341,000
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New Appropriations, by Purpose
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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
TOTAL NEW APPROPRIATIONS		P39,759,341,000		P39,759,341,000
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Special Provision(s)

1. Financial Assistance to LGUs. The amount of Two Billion Two Hundred Ninety Eight Million Seven Hundred Eighty Thousand Pesos (P2,298,780,000) appropriated herein for financial assistance to LGUs shall be used to support the following programs and projects of LGUs:

- (a) Health - Assistance to indigent patients either confined or out-patient (including professional fees) and purchase of ambulance;
- (b) Social Services - Assistance to indigent individual or families in any of the following forms: (i) medical; (ii) burial; (iii) transportation; (iv) food assistance; (v) cash for work; and (vi) educational assistance;
- (c) Disaster Risk Reduction and Climate Change Adaptation - Heavy duty rescue vehicles;
- (d) Peace and Order or Security - Purchase of firetrucks and multicabs; and

(e) Construction, rehabilitation, repair or improvement of any of the following: (i) local roads and/or bridges; (ii) public markets; (iii) slaughterhouses; (iv) multi-purpose buildings; (v) multi-purpose pavements; (vi) pathways; (vii) trails; (viii) drainage canals; (ix) sea wall; (x) water system projects including level 1/stand alone water points; and (xi) sports facilities.

Disbursement and utilization by the LGUs shall be subject to the pertinent provisions of R.A. No. 9184, as well as applicable accounting, budgeting and auditing rules and regulations.

The LGU beneficiaries 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 financial and physical accomplishments of the projects.

2. Assistance to Disadvantaged Municipalities. The amount of Nineteen Billion Four Hundred Thirty Million Five Hundred Sixty One Thousand Pesos (P19,430,561,000) appropriated under the Local Government Support Fund shall be used for assistance to disadvantaged municipalities which shall be determined based on equal share, per capita share, years-based share computed from previous national government allocations to the municipality and share for good performance as determined by the DILG, in consultation with the DBM and duly accredited Civil Society Organizations (CSOs) and People's Organizations (POs). The covered municipality may request financial assistance for the following projects which must be part of any of their existing development plans: (i) water system projects; (ii) evacuation facility; (iii) local access roads; (iv) small water impounding project; (v) sanitation and health facilities; and (vi) non-infrastructure anti-poverty projects such as, but not limited to, projects related to the localization of sustainable development goals, and disaster preparedness and climate resilience training.

Release of funds shall be subject to compliance by the municipality concerned with: (i) the requirements of the DILG Seal of Good Financial Housekeeping; and (ii) assess their Public Financial Management Systems and adopt the corresponding improvement measures.

The beneficiary municipalities 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 financial and physical accomplishments of the projects.

CSOs and POs shall also be involved as the third party monitor and evaluator of the implemented projects under this program at no cost to the government. (CONDITIONAL IMPLEMENTATION- President's Veto Message, December 22, 2016, Volume I-B, page 662, R.A. No. 10924)

3. **Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement.** The amount of Eighteen Billion Thirty Million Pesos (P18,030,000,000) appropriated herein for the conditional matching grant to provinces for road repair, rehabilitation and improvement shall be implemented in provinces identified based on: (i) equal share; (ii) percentage share based on unpaved roads; and (iii) percentage share based on land area.

The implementing province shall comply with the following in the implementation of this provision:

a) Submission to the DILG at the start of the year of: (i) Provincial Road Network Plan with technical plans and costs estimates for the two (2) priority projects; (ii) proof of disbursement of previous year's maintenance budget for roads; and (iii) Local Road Management Assessment Report;

b) Submission to the DBM of Public Financial Management Assessment Report and such other requirements as may be provided in the guidelines issued by DBM;

c) Strict adherence to the provisions of R.A. No. 9184, its IRR and GPPB guidelines;

d) Observance of the design, plan, specifications, and such other standards and policies of the National Government;

e) Commitment to fund the cost of maintenance and repairs; and

f) The amount released to the LGUs shall be recorded as trust funds to be used for the specified purpose.

The implementing province 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 financial and physical accomplishments. The Local Chief Executive and the LGU's web administrator or his/her equivalent shall be responsible for ensuring that said reports are likewise posted through the Open Road Portal.

4. **Release of Funds.** The funds shall be released directly by the BTr to the LGU beneficiaries through authorized government servicing banks.

New Appropriations, by Purpose

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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
Purpose(s)				
Local Government Support Fund				
1. Financial Subsidy to Local Government Units		P 2,298,780,000		P 2,298,780,000
2. Assistance to Disadvantaged Municipalities		19,430,561,000		19,430,561,000
3. Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement		18,030,000,000		18,030,000,000
Sub-total, Purpose(s)		<u>39,759,341,000</u>		<u>39,759,341,000</u>
TOTAL NEW APPROPRIATIONS		<u>P39,759,341,000</u>		<u>P39,759,341,000</u>
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New Appropriations, by Object of Expenditures

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(In Thousand Pesos)**Current Operating Expenditures****Maintenance and Other Operating Expenses****Financial Assistance/Subsidy****39,759,341,000****Total Maintenance and Other Operating Expenses****39,759,341,000****TOTAL NEW APPROPRIATIONS****39,759,341,000**

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