



IMPLEMENTING RULES AND REGULATIONS OF EXECUTIVE ORDER NO. 138, S. 2021

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

Pursuant to Section 7(g) of Executive Order (EO) No. 138 dated 01 June 2021, the following rules and regulations are hereby promulgated and adopted:

RULE I POLICIES AND OBJECTIVES

Section 1. Title. The rules contained herein shall be known and cited as the Implementing Rules and Regulations (IRR) of EO No. 138.

Section 2. Declaration of Policy. The National Government (NG) is fully committed to the policy of decentralization enshrined in the Constitution and relevant laws, which are aimed at (i) developing capabilities of local governments to deliver basic social services and critical facilities to their constituents, increase productivity and employment, and promote local economic growth; and (ii) ensuring accountability, competence, professionalism and transparency of local leaders through the development of institutional systems that uphold good governance and strengthen their capacities for managing public resources.

Section 3. Guiding Principles. In pursuing the full devolution of functions to the local government units (LGUs) consistent with Sections 3 and 17 of Republic Act (RA) No. 7160 or the Local Government Code (LGC) of 1991, all department secretaries and agency heads concerned with functions that have been devolved under the LGC and other pertinent laws, shall conduct a functional and organizational review of their respective mandates, guided by the following principles:

- (a) The role of the NG is to set the national policy, development strategy, and service delivery standards, and to assist, oversee, and supervise the LGUs, complementary to the stronger implementing role that the LGUs shall assume by reason of full devolution;

(b) The devolution of the provision of basic services and facilities to the LGUs and the determination of the functional assignments between and among the different levels of government shall be guided by the following:

1. Public services with little or no benefit spillover are best administered and financed by lower level governments, while public services with significant inter-jurisdictional externalities or benefit and cost spillovers are best assigned to higher levels of government.

Lower level governments pertain to barangays, with respect to cities/municipalities; component cities/municipalities with respect to provinces; and all LGU levels to include highly-urbanized cities (HUCs), independent component cities (ICCs), and the LGUs in the National Capital Region (NCR), with respect to the national government. Conversely, higher level governments pertain to cities/municipalities, with respect to barangays; provinces, with respect to component cities/municipalities; and the national government, with respect to all LGU levels to include HUCs, ICCs, and the LGUs in the NCR.

As such, the coordinating and facilitating roles, among others, of the next higher level of government shall be recognized.

Public services with significant inter-jurisdictional externalities are those whose costs are incurred or benefits are received by more than one or multiple LGUs;

2. The provision of public goods and services that involve economies of scale is best assigned to higher levels of government.

Economies of scale exist when increased size of production capacity or decreases in average cost of production result in lower unit costs; and

3. Functions related to the redistributive role of government should be best assigned to the NG.

The redistributive role of the government aims to improve the distribution of income in society, and reduce inequality and poverty;

(c) The NG, in close collaboration with the LGUs through their respective Leagues, shall formulate and pursue an institutional development program to support the LGUs in order to strengthen their capacities and capabilities to fully assume the devolved functions based on RA No. 7160 and other relevant laws; and

(d) Except as otherwise provided under EO No. 138 and this IRR, any ambiguity as to the interpretation of a power granted to an LGU shall be resolved and interpreted in favor of devolution.

RULE II COVERAGE

Section 4. Coverage. All LGUs, and departments, agencies, and instrumentalities of the Executive Branch whose functions are in line with the devolved functions of the LGUs under Section 17 of RA No. 7160 and other pertinent laws are covered by the rules and guidelines prescribed herein.

The Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) and their LGUs shall be guided by RA No. 11054, or the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao, and other relevant laws passed by the BARMM.

RULE III FULL DEVOLUTION OF FUNCTIONS, SERVICES AND FACILITIES

Section 5. Functions, Services, and Facilities for Full Devolution. The functions, services, and facilities which shall include those indicated under Section 17 of RA No. 7160 and other existing laws which subsequently devolved functions of the NG to the LGUs, shall be fully devolved from the NG to the LGUs not later than the end of FY 2024.

Consistent with Section 17(e) of RA No. 7160, and as reiterated under EO No. 138, devolution shall pertain to the act by which the NG, as may be allowed by existing laws, confers power and authority to the various LGUs to perform specific functions and responsibilities.

Except those functions that shall continue to be shared with the NG pursuant to the guiding principles enumerated under Section 3 of this IRR, local governments shall be primarily and ultimately responsible and accountable for the provision of all basic services and facilities fully devolved to them in accordance with the minimum standards for service delivery to be prescribed by the NG. These shared functions shall pertain to functions whose overall planning, standard setting, prioritization and monitoring shall remain with the NG, especially investment programming and regulatory services; and complex, and multi-year capital projects which may need to be assisted, supervised and cost-shared by the NG.

In accordance with Section 17(g) of RA No. 7160, the basic services and facilities fully devolved shall be funded from the just share of the LGUs in the proceeds of national taxes and other local revenues. Local chief executives shall ensure that any fund or resource available for the use of their respective LGUs shall be first allocated for the provision of basic services or facilities devolved, before applying the same for other purposes, consistent with relevant laws and budgeting and auditing rules and regulations.

RULE IV COMMITTEE ON DEVOLUTION

Section 6. Composition and Functions of the Committee on Devolution (ComDev). The ComDev, as constituted under Section 6 of EO No. 138, shall compose of the Department of Budget and Management (DBM) Secretary as the Chairperson, the Department of the Interior and Local Government (DILG) Secretary as the Co-Chairperson,

and the Secretaries of Socioeconomic Planning (NEDA) and of Finance (DOF), Executive Secretary, and the Presidents of the Leagues of Provinces, Cities, and Municipalities of the Philippines, the *Liga ng mga Barangay sa Pilipinas*, and the Union of Local Authorities of the Philippines (ULAP) as members.

The ComDev shall perform the following functions:

- (a) Oversee and monitor the implementation of administrative and fiscal decentralization goals of EO No. 138, consistent with RA No. 7160, as amended;
- (b) Evaluate the status and monitor the implementation of the devolution transition plans (DTPs) of national government agencies (NGAs) and LGUs, and ensure compliance of NG officials or employees and local chief executives or personnel, and initiate appropriate actions as may be warranted;
- (c) Resolve issues and concerns that may arise in the implementation of the EO and its IRR, without prejudice to the respective mandates of its member-agencies in individually resolving the same;
- (d) Ensure the elimination of any regulatory or fiscal control on the automatic release of the just share of the LGUs in the national taxes, in accordance with Sections 286 and 293 of RA No. 7160;
- (e) Adopt mechanisms to ensure continuous delivery of public services by the NGAs and the LGUs during the transition period to full devolution;
- (f) Develop a strong communications plan and pursue strategies to effectively inform the public, as well as other stakeholders, on the delineation of the functions between the NGAs and the LGUs, and their respective accountabilities. For this purpose, the ComDev may tap the Presidential Communications Operations Office (PCOO) and its attached agencies and offices, call upon all NGAs, both the oversight and the affected agencies, to designate focal officials and personnel who shall participate in this information drive, and ensure the integration of the ComDev's key messaging and communications plan to their respective agency's communications efforts;
- (g) Issue rules and regulations for the effective implementation of EO No. 138 within thirty (30) days from its effectivity, and thereafter, such other supplemental guidelines, as may be appropriate. However, member-agencies of the ComDev are not precluded from issuing supplemental guidelines, as necessary, on matters within their authority and jurisdiction;
- (h) Submit to the Office of the President (OP) an annual report on the implementation of EO No. 138 and this IRR, including the status of the implementation of the DTPs and the Growth Equity Fund, as well as the recommendations of the ComDev based on the annual assessments

thereof, starting from FY 2022 until FY 2024, when the devolution effort has been fully implemented;

- (i) Call on any relevant department, agency or office of the Executive Branch for the fulfillment of its functions and the accomplishment of the objectives of EO No. 138, and ensure convergence of all government efforts on the full devolution program. For this purpose, the Committee shall create sub-committees and technical working groups (TWGs) or task forces that aim to facilitate this convergence and complementation of efforts; and
- (j) Perform other functions as may be necessary in the efficient and effective implementation of EO No. 138, this IRR and other pertinent guidelines.

For this purpose, the ComDev shall convene a meeting at least once every quarter or as may be necessary upon the request of any of its member-agencies. It shall adopt its own rules on the conduct of its business, including the constitution of a quorum for purposes of convening a meeting or voting on issues and proposals, if a consensus is not reached.

Section 7. Designation of Permanent and Alternate Representatives to the ComDev. To ensure representation and facilitate coordination and collaboration on all matters relative to the functions of the Committee, all members of the ComDev from the government sector shall designate, within fifteen (15) days from the effectivity of EO No. 138, a senior official, with a rank not lower than an Undersecretary or its equivalent, within their respective offices, to serve as their permanent representative in the ComDev. Alternate representatives from the various leagues shall be endorsed by their organizational heads.

The permanent and/or alternate representatives shall be responsible for overseeing their respective department's/agency's overall efforts on the implementation of EO No. 138 and this IRR.

Section 8. ComDev Secretariat. The DBM shall serve as the secretariat to the ComDev which shall provide technical and administrative support services to the Committee, and undertake the following:

- (a) Liaise and coordinate the activities of the ComDev, together with the agencies, LGUs, and stakeholders concerned;
- (b) Facilitate the development of policies and propose a menu of programs, projects, services, and activities contributing to the full devolution effort;
- (c) Prepare and recommend the agenda, resolutions, minutes, and other similar documents for the ComDev meetings;
- (d) Monitor and consolidate the quarterly reports on the activities and accomplishments of the Regional ComDevs and the Sub-Committee on Communications Strategy established under this IRR;
- (e) Develop and maintain a monitoring and evaluation (M&E) system on the status of the approval and implementation of the NGA devolution transition plans (DTPs) and the submission and implementation of the LGU DTPs;
- (f) Prepare quarterly reports on the activities and accomplishments of the ComDev, in support of the annual report to be submitted by the ComDev to the OP;

- (g) Maintain the documents and records of the ComDev, furnish copies thereof to the ComDev members in a timely manner, and establish a database and/or a secure online portal for the purpose, particularly on the NGA and LGU DTPs, to serve as guide in decision making; and
- (h) Perform such other tasks as may be directed by the ComDev.

Section 9. Creation of the Regional Sub-Committees of the ComDev and their Respective Secretariats. Regional Sub-Committees of the ComDev, hereinafter referred to as the Regional ComDevs, and their respective secretariats, shall be organized, except in the BARMM which has the authority to regulate the affairs of its LGUs pursuant to RA No. 11054, to serve as counterparts of the ComDev at the regional level. To maximize the link and complementation of their efforts with those of the Regional Development Councils (RDCs), the Regional ComDevs shall be constituted as a special committee under the RDC. As such, their member regional agencies and organizations shall be determined by the respective RDCs.

The Regional ComDevs shall be chaired by the regional director of the DBM, with the regional director of the DILG as co-chair, and shall include the regional directors of the NEDA, DOF-Bureau of Local Government Finance (BLGF), regional offices (ROs) of the NGAs concerned, and representatives of the LGU Leagues as members. The Regional ComDevs shall submit the names and contact details of their members to the ComDev Secretariat for communications and monitoring purposes.

As a special committee under the RDC, the Regional ComDev shall report to the RDC Full Council on a quarterly basis, synchronized with the submission of their quarterly accomplishment reports to the ComDev.

The DBM ROs shall serve as the Regional ComDev secretariat to provide technical and administrative support services to said Committee.

The funding sources for the operations of the Regional ComDevs shall be identified as basis for the preparation of their budget proposals and work and financial plans.

Section 10. Functions of the Regional ComDevs. The Regional ComDevs shall perform the following:

- (a) Cascade policies and guidelines of the ComDev to the regional and field offices of the NGAs concerned and the LGUs;
- (b) Determine the issues and concerns, challenges, and information gaps at the sub-national level, act on region-specific or local level issues and concerns, challenges and information gaps, and elevate to the ComDev, together with their recommendations, those that require action at the national level;
- (c) Strengthen the coordination between the NGAs and the LGUs to facilitate smooth transition to full devolution;
- (d) Monitor and assess the implementation of the DTPs of the NGAs concerned and the LGUs in the region;
- (e) Submit quarterly reports to the ComDev Secretariat, including an assessment of the implementation of the DTPs of the NGAs and LGUs, their accomplishments and other related regional initiatives. However, during the first year of implementation of this devolution effort, the Regional ComDevs

- shall report more frequently to the ComDev, as may be required by the latter, to discuss and immediately resolve devolution transition issues and concerns, challenges, and information gaps that may occur at the sub-national level; and
- (f) Perform other functions as may be assigned by the ComDev.

The Regional ComDev shall meet as often as necessary in the performance of its functions but not less than once every quarter.

Section 11. Creation of the ComDev Technical Working Group. Pursuant to Section 6 (i) of this IRR, the ComDev TWG is hereby created to serve as the clearing house prior to elevating matters to the ComDev for its consideration.

The ComDev TWG shall be comprised of all ComDev member-agencies. Their primary representative shall have the rank of at least an Assistant Secretary or its equivalent in the case of the LGU Leagues and the ULAP.

The names and contact details of the primary representatives to the ComDev TWG shall be submitted to the ComDev Secretariat for communications and monitoring purposes.

The functions of the TWG shall be defined in a separate issuance by the ComDev.

RULE V DEVOLUTION TRANSITION PLAN

Section 12. Preparation of Devolution Transition Plans by the NGAs Concerned. All departments, agencies and instrumentalities concerned of the national government shall conduct a review of their respective thrusts, priorities, strategic plans, mandates, and functions to reflect the progressive operationalization of the full devolution of basic services and facilities.

The NGAs with devolved functions and services to the LGUs pursuant to RA No. 7160, as indicated under **Annex A** of this IRR, shall prepare their respective DTPs to ensure the smooth implementation of EO No. 138. On the other hand, other existing laws which subsequently devolved functions of the NG to the LGUs and/or clarified or built on the same include, but are not limited to, those indicated under **Annex B** of this IRR.

The department secretary/agency head shall lead and oversee the preparation and implementation of their respective department's/agency's DTP. There shall be only one (1) DTP for each department, which shall already cover the agencies and government-owned or -controlled corporations (GOCCs) under the control or supervision or attached to such department.

Agencies and instrumentalities not under the control or supervision or attached to a department shall prepare and implement their own DTPs in consultation and coordination with the DBM and DILG. Hence, they shall submit their DTPs directly to the DBM for evaluation and approval.

To facilitate this process, the departments concerned shall organize and assign their respective Devolution Transition Committee (DTC), to be called the **Department DTC**,

consisting of the attached agencies and GOCCs, and headed by a senior official second in rank to the head to coordinate and oversee the entire process. The agencies and GOCCs concerned are not precluded to establish their own DTCs, to be called the **Agency DTC**. The constitution of these committees and the names of their heads shall be submitted to the ComDev Secretariat for communications and monitoring purposes.

The NGA DTPs shall include, but are not limited to, the following:

- (a) The identification of the: (i) appropriate assignment of functions, services and facilities to each level of government, determining the specific level of LGU wherein said functions and services have been devolved and shall be transferred to, based on RA No. 7160 and other relevant laws; and (ii) implementation strategy and phasing of the devolution transition activities, subject to the capacity and resources of the LGUs to take on these devolved functions based on the experience and assessment of the NGA;
- (b) The identification and inventory of standards for the delivery of devolved services, which cover the minimum cost, scope, specifications, and quality of the services to be delivered by the LGUs, as well as the minimum organizational structure and manpower complement recommended for the LGUs by the NGA;
- (c) The strategy for capacity development of NGAs to enable them to effectively and efficiently perform their "steering", as well as monitoring and evaluation functions;
- (d) The strategy for and phasing of capacity development of the LGUs to enable them to absorb and manage the devolved functions and services starting FY 2022, which shall include the checklist of criteria and conditions necessary to determine the readiness of the LGUs to take on the delivery of the devolved functions/services consistent with their local growth priorities, and resources, as well as other capacity development requirements anchored on the DILG-Local Government Academy's (LGA) LGU capacity framework;
- (e) The framework for monitoring and performance assessment of the LGUs in undertaking the devolved activities, including the grant of incentives and the imposition of sanctions provided by pertinent laws; and
- (f) An organizational effectiveness proposal (OEP) to strengthen the department/agency/GOCC in assuming "steering functions" as a result of the full devolution efforts. The OEP shall contain the following components:
 - 1. Modifications in the organizational structure of the departments/agencies/GOCCs concerned, as applicable, stating the specific changes in the offices/units in said department/agency/GOCC;
 - 2. Modifications in the staffing complement of the departments/agencies/GOCCs concerned, specifying the number of personnel who may be affected by the full devolution efforts; and
 - 3. Modifications in resource allocation, highlighting the effects of the revised set-up on the budgetary allocations of the departments/agencies/GOCCs concerned.

Items (a), (b), (d), and (e) shall be shared with the LGUs for their reference in formulating their DTPs, and hence, should be clear, useful, and doable.

The departments and agencies concerned shall ensure that their DTCs, or their ROs or field units shall be ready to respond to the LGUs' requests and queries, and ensure the alignment of national and regional objectives, as well as the implementation of the NGA and LGU DTPs.

Should certain LGUs decide to implement programs, activities, and projects (PAPs) of national government agencies (NGAs) under a fully devolved set-up, they shall include the same in their respective DTPs, providing the requirements for implementation.

The NGAs concerned may consult and collaborate with the DILG, NEDA, DOF, Civil Service Commission (CSC), and the Development Academy of the Philippines (DAP) and other resource institutions for technical assistance in the preparation of their respective DTPs.

Section 13. Submission of the NGA DTPs. The DTP shall be submitted by the departments/agencies/GOCCs concerned to the DBM for evaluation and approval within one hundred twenty (120) days after the effectivity of EO No. 138.

Section 14. Evaluation and Approval of the NGA DTPs. The DBM shall evaluate and approve the NGA DTPs within one hundred twenty (120) days upon receipt of the completed DTP, with the required narrative and complete and properly filled out annexes, and the submission of all other required information and supporting documents for the purpose.

Whenever necessary, the DBM shall consult the DILG, NEDA, and DOF on concerns regarding the evaluation of the NGA DTPs, and shall refer to the Governance Commission for GOCCs (GCG) needed actions for those GOCCs under its jurisdiction (e.g., organizational and staffing changes).

Section 15. Preparation of Devolution Transition Plans by the LGUs. In view of the full devolution and pursuant to Section 10 of EO No. 138, all provinces, cities, municipalities, and barangays shall prepare their DTPs in close coordination with the NGAs concerned, especially on devolved functions and services critical to them, to guide them towards the full assumption of the devolved functions and services, as well as serve as a guide on the monitoring and performance assessment of the LGUs by the NGAs concerned, the DBM and DILG.

The Local Chief Executive (LCE) concerned shall spearhead the preparation of the LGU DTP and ensure that it is approved within the prescribed timeframe. The LCE shall organize the LGU DTC which shall be responsible for the preparation of the LGU DTP and in the monitoring of the implementation thereof. The Local *Sanggunian* (*Barangay/Bayan/Panlungsod/Panlalawigan*) shall review and approve the LGU DTP through a *Sanggunian* Resolution.

The LGU DTC will have the following suggested minimum composition:

- For provinces, cities, and municipalities, the LCE as Chair, a member of the Local *Sanggunian*, members of the Local Finance Committee (Planning and Development Coordinator, Treasurer, Budget Officer), Local Administrator,

President of the *Liga ng mga Barangay*, representatives from civil society organizations and peoples' organizations that are members of the Local Development Council as members; and

- For barangays, the *Punong Barangay* as Chair, and the Barangay Secretary, Barangay Treasurer, and a member of the *Sangguniang Barangay* as members.

The LGU DTP shall be comprised of a narrative report containing the state of devolved functions, services, and facilities; capacity development agenda; organizational structure and staffing pattern; local revenue forecast and resource mobilization strategy; phasing of full assumption of devolved functions and services, and the corresponding performance targets for such.

The RDCs, through the NEDA ROs, may participate in the provision of technical assistance to provinces and HUCs in the formulation of their DTPs, upon request, particularly in identifying programs and activities relative to the devolved services and functions, and aligning LGU priorities with the national and regional development plans and investment programs.

Section 16. Submission of the LGU DTPs. The LGUs shall submit their approved DTPs within the timelines to be prescribed in the guidelines on the preparation of the LGU DTPs to be jointly issued by the DILG and DBM.

An online submission mechanism shall be adopted to monitor compliance and to enable access to LGU DTPs as basis for future actions and decision making.

Section 17. NGA and LGU DTP Guidelines. The specific guidelines on the preparation of the NGA and LGU DTPs shall be jointly issued by the DBM and DILG within thirty (30) days from the effectivity of this IRR, to ensure the complementarity of the NGA and LGU DTPs. The DBM shall primarily be responsible for the review and approval of the NGA DTPs, while the DILG shall primarily be responsible for guiding and monitoring the submissions of the LGU DTPs.

RULE VI

FUNCTIONAL, ORGANIZATIONAL AND STAFFING ACTIONS

Section 18. Actions on Functions, Programs, Projects, and Activities. The possible actions on the functions/programs/projects/activities of a department/agency are defined, as follows:

- (a) **Scaling down** – a reduction in the intensity or magnitude of a function, program, activity or project either by eliminating selected components, reducing the geographical, demographic or clientele coverage, the types of services rendered, or the level of outputs.
- (b) **Phasing out** – the gradual elimination or discontinuance of a function, program, activity or project through the sequential or selective abolition of its component parts, until such time that said function, program, activity or project ceases to exist.
- (c) **Abolition** – the elimination or discontinuance of a function, program, activity or project.

- (d) **Strengthening** – the act of increasing the targets of a core function, or its expected goods/services and the desired impact of these, or widening its clientele/geographical coverage by infusing additional physical, financial and other resources to it.

Section 19. Organizational Actions. The organizational actions which can be pursued by a department/agency are defined as follows:

- (a) **Abolition** – refers to the elimination of an obsolete/unnecessary organizational unit.
- (b) **Deactivation** – the act of making an organizational unit dormant or non-operational by phasing out its functions or transferring them to other units. An organizational unit is rendered dormant or non-operational if its operation is terminated but its formal existence continues. A deactivated organizational unit is devoid of any activity, personnel, financial and physical resources.
- (c) **Merger** – the combination of two (2) or more organizational units, whereby the identity of one is retained and the other is abolished or deactivated ($A + B = A$ or B).
- (d) **Consolidation** – the dissolution of two (2) or more organizational units to form a new unit ($A + B = C$).

The units within the department/agency/GOCC may also be transferred to other bureaus/services/offices within the department/agency/GOCC where they are more appropriately subsumed under by virtue of the modifications in their functions.

New offices/units shall only be created if there are no existing offices/units in the department/agency/GOCC that are performing or that could perform their intended functions.

Section 20. Staffing Actions. The staffing actions which may be pursued by a department/agency with regard to its regular positions are defined, as follows:

- (a) **Abolition** - the elimination of an obsolete and/or unnecessary position.
- (b) **Transfer** - the movement of an employee from one organizational unit to another in the same department/agency, or from one department or agency to another, which is of equivalent rank, level or salary.
- (c) **Reclassification** - a form of staffing modification or position classification action which may be applied only when there is a warranted substantial change in the regular duties and responsibilities and/or qualifications of the incumbent of the position, as determined by the DBM.
- (d) **Conversion** - a form of reclassification which only applies to vacant positions wherein a position shall be abolished and the appropriate position shall be created in their stead.
- (e) **Retitling** - a form of reclassification which involves a change in the position title without any change in salary grade allocation.
- (f) **Creation** - must observe the "scrap and build" policy wherein new positions may be proposed as long as there are corresponding obsolete/unnecessary but funded position/s which may be abolished to support the creation of the new position/s.

RULE VII

PERSONNEL OPTIONS AND POLICIES

Section 21. Options for Personnel Who may be Affected by the Full Devolution Efforts. Personnel hired on a permanent basis and with appointments attested by the CSC who may be affected by the full devolution of the functions and services to the LGUs shall have the option to:

- (a) Transfer to other units/offices within the department/agency/GOCC concerned, without reduction in pay;
- (b) Transfer to other departments/agencies/GOCCs in the Executive Branch, without reduction in pay; or
- (c) Avail of the retirement benefits and separation incentives as provided under Section 13 of EO No. 138 and, subject to the discretion of the LGUs, apply to vacant positions that will perform the devolved functions in the LGUs concerned; PROVIDED, that their reemployment shall be considered as new entry to the civil service; PROVIDED, further, that they shall be subject to the compensation system of the LGU concerned.

Affected employees occupying medical/allied-medical items may apply for transfer to a Department of Health-supervised hospital of their choice.

There shall be no involuntary separation, termination, or lay-off of permanent personnel of the NGAs affected by the full devolution effort.

Section 22. Personnel Who Would Opt to Transfer to Other Units/Offices within the Department/Agency/GOCC Concerned. Affected personnel with permanent appointment shall have the option to transfer to other units/offices within the department/agency/GOCC concerned, and their positions shall be coterminous with the incumbent, to be abolished once vacated.

In no case shall there be any diminution in the basic salaries of incumbent employees affected by the implementation of this Order. The forfeiture or non-grant of specific purpose allowances which are anchored on the performance of particular functions or the presence of certain conditions does not constitute diminution in pay.

Section 23. Personnel Who Would Opt to Transfer to Other Agencies in the Executive Branch. Affected personnel with permanent appointment shall have the option to transfer to other agencies where additional personnel are required, subject to the policies and guidelines to be issued by the CSC, in coordination with the DBM. However, the position of the transferred personnel in the recipient agency shall be coterminous with the incumbent, and to be abolished once vacated.

Personnel who would opt to transfer to other agencies but would later object to their new job assignment may apply in other agencies. In this regard, the position of said personnel, which was transferred to the recipient agency shall be abolished once the incumbent has vacated said position.

Similarly, in no case shall there be any diminution in the basic salaries of incumbent employees transferred to other agencies in the implementation of EO No. 138. The forfeiture

or non-grant of specific purpose allowances which are anchored on the performance of particular functions or presence of certain conditions does not constitute diminution in pay.

Section 24. Affected Personnel Who Retired/Separated from the Service and Would Opt to Apply to a Vacant Position in the LGUs. Affected personnel with permanent appointment may avail of the retirement benefits and separation incentives as provided under Section 13 of EO No. 138 and as reiterated in Section 28 of this IRR.

To facilitate the attestation of appointments of the affected personnel, the NGAs concerned shall submit to the CSC a list of affected personnel with permanent appointment who retired or separated from the service within fifteen (15) days after the approval of the DTP of the NGA concerned by the DBM.

Affected personnel with permanent appointment who retired or separated from the service may apply to vacant positions that shall perform the devolved functions in the LGUs, subject to the discretion of the LGU concerned. However, it is understood that they shall be subject to the compensation system of the LGU concerned, and that such reemployment shall be considered as a new entry to the civil service. For this purpose, the affected personnel shall sign a waiver or manifestation that they accept these terms as a condition for their employment with the LGU.

To facilitate the application process, departments/agencies/GOCCs concerned shall prepare a list of affected personnel and their qualifications/competencies for reference of the LGUs concerned. Said list shall be provided by the DILG to the LGU upon the request of the latter.

The LGUs shall not be compelled to hire any personnel affected by the implementation of EO No. 138, s. 2021.

Furthermore, the hiring of these personnel shall be subject to existing provisions of the 1991 LGC, as well as the positive evaluation of the LGU Personnel Selection Board.

Section 25. Policy on the Rehiring of Personnel Who Retired/Separated from the Service. Government personnel with permanent appointment who retired/separated from the service as a result of the full devolution efforts shall be prohibited from reemployment in any agency of the Executive Branch, for a period of five (5) years, except as teaching and medical staff in educational institutions and hospitals, respectively.

The reemployment of the retired/separated personnel in the Executive Branch within the prohibited period shall cause the refund of the separation incentives received by subject personnel under Section 13 of EO No. 138, on a pro-rated basis.

It is understood that the prohibition on the reemployment of the affected personnel shall not apply in the other branches of the NG and in the local governments.

The engagement of consultancy services by government personnel who retired/separated from the service as a result of the full devolution efforts shall be governed by Section 7 of RA No. 6713, or the "Code of Conduct and Ethical Standards for Public Officials and Employees", and other pertinent laws, rules, and regulations.

Section 26. Policy for Non-Permanent Employees. Affected personnel who were hired on a casual or contractual basis for the implementation of the devolved functions in the NGAs concerned, may also apply to vacant positions in the LGUs concerned. The DILG shall set up a mechanism to identify those who are willing to be absorbed by the LGUs, and shall provide the LGUs with said list upon request of the latter, so that the LGUs can profit from the experience and technical expertise of these personnel. Subject to the discretion of the LGU, they may be given preference, after those with permanent appointment, in the application process.

Section 27. Issuance of Guidelines on Personnel Options and Policies. The DBM and DILG, in coordination with the CSC and with prior consultation with the LGUs through their respective Leagues, shall develop and jointly issue the guidelines, within thirty (30) days from the effectivity of this IRR, to ensure the fair, orderly, and transparent implementation of the personnel options and policies indicated herein, including the timetable for the implementation and the phasing of activities and availment of the separation incentive package as indicated under Section 13 of EO No. 138; PROVIDED, that the NGAs are authorized to institute their respective internal operationalization guidelines, subject to existing CSC and DBM rules and regulations.

RULE VIII RETIREMENT/SEPARATION BENEFITS

Section 28. Retirement/Separation Benefits for Affected Personnel Who Would Opt to Retire/Separate from the Service. Affected personnel with permanent appointment who would opt to retire/separate from the service shall be given the option to avail of any of the following retirement benefits under existing laws, if qualified:

- (a) Retirement gratuity provided under RA No. 1616 (An Act Further Amending Section Twelve of Commonwealth Act No. 186, as Amended, by Prescribing Two Other Modes of Retirement and for Other Purposes), as amended;
- (b) Retirement benefit under RA No. 660 (An Act to Amend Commonwealth Act No. 186 or "An Act to Create and Establish a Government Service Insurance System, to Provide for its Administration, and to Appropriate the Necessary Funds Therefor," and to Provide Retirement Insurance and for Other Purposes); or
- (c) Retirement, separation or unemployment benefit provided under RA No. 8291 (An Act Amending Presidential Decree No. 1146, as Amended, Expanding and Increasing the Coverage and Benefits of the Government Service Insurance System, Instituting Reforms Therein and for Other Purposes).

In addition to said retirement benefits, the affected personnel who would opt to retire or separate from the service shall be entitled to the following separation incentives:

Length of Service	Rate
Less than eleven (11) years of service	½ of the actual monthly basic salary for every year of government service
Eleven (11) to less than twenty-one (21) years of service	¾ of the actual monthly basic salary for every year of government service, computed starting from the 1 st year
Twenty-one (21) to less than thirty-one (31) years of service	Actual monthly basic salary for every year of government service, computed starting from the 1 st year
Thirty-one (31) years of service and above	1 ¼ of the actual monthly basic salary for every year of government service, computed starting from the 1 st year

The actual monthly basic salary shall refer to the salary of the affected personnel as of the date of approval of the department/agency's revised organizational structure and staffing pattern by the DBM.

A minimum of five (5) years of government service is required in order for an affected personnel to be entitled to avail of the separation incentives; PROVIDED, that for the purpose of computing the total amount of separation incentives that an affected personnel shall receive, only the government service up to age of fifty-nine (59) and a fraction thereof shall be counted. Government service starting at the age sixty (60) shall no longer be subject to the separation incentives provided herein, without affecting the original incentive factor determined as applicable based on the actual years of service of the affected personnel; PROVIDED, further, that for the purpose of complying with the required number of years of service under RA No. 8291, or the "Government Service Insurance System (GSIS) Act of 1997", the portability scheme under RA No. 7699, or the "Portability Law", may be applied, subject to existing policies and guidelines.

The retirement gratuity benefit of affected personnel who are qualified and shall avail of RA No. 1616, as amended, shall be paid by the GSIS. The GSIS shall no longer pay the refund of retirement premiums, both personal and government shares, of the affected personnel who will opt to retire under RA No. 1616.

Section 29. Other Benefits of Retired/Separated Personnel. The affected personnel who retired or separated from the service shall, on top of applicable statutory benefits, be entitled to the following:

- (a) **Refund of Pag-IBIG Contributions.** All affected personnel who are members of the Pag-IBIG shall be entitled to the refund of their contributions, both personal and government shares, pursuant to existing rules and regulations of the Home Development Mutual Fund; and
- (b) **Commutation of Unused Vacation and Sick Leave Credits.** All affected personnel shall be entitled to the commutation of unused vacation and sick leave credits in accordance with existing civil service rules and regulations.

RULE IX CAPACITY DEVELOPMENT FOR LOCAL GOVERNMENTS

Section 30. Formulation of Capacity Development Agenda for LGUs. In view of the full devolution of certain functions from the NGAs, the provinces, cities, and municipalities are directed to formulate their respective capacity development agenda based on the assessment framework and guidelines to be issued by the DILG-LGA. The capacity development agenda shall be guided by, among others, the strategy to enable the LGUs to absorb, manage, and sustain the responsibilities under a fully devolved set-up. For barangays, they shall determine their capacity development requirements based on the functions and services they will fully assume, guided by the NGA DTPs, if available, local development thrusts, and performance goals and objectives.

The DILG-LGA, together with the Local Governance Regional Resource Centers, shall lead the development of a menu of programs that will cover the specific capacity development requirements of the LGUs.

Section 31. Provision of Capacity Development Intervention for LGUs. The DILG, through the LGA, shall oversee the provision of capacity development interventions for LGUs, and shall develop the appropriate mechanisms to ensure the efficient utilization of government resources on this effort. The LGA shall harmonize all capacity development interventions by the DBM, NEDA, DOF, other NGAs, DAP and third-party service providers for the LGUs. It shall optimize the potential of the Local Governance National and Regional Resource Centers as the convergence platform for capacity development. The provision of LGU capacity development interventions shall be anchored on the guidelines issued by the LGA.

Moreover, the DILG, the DBM, and the DOF-BLGF shall include public financial management processes, such as local planning, investment programming, revenue generation, resource mobilization, and budgeting, in the capacity development of the LGUs to ensure that the allocation of the tax allotment for basic services and facilities is in accordance with Section 17 of RA No. 7160 and other relevant laws.

Further, the DILG shall develop other capacity development strategies, facilitate institutionalization of performance standards, and develop and operationalize performance incentive mechanisms under the Seal of Good Local Governance (SGLG) to promote excellence in local governance.

To facilitate the provision of capacity development interventions and technical assistance in the execution and management of the devolved activities, the LGUs may enter into memoranda of agreement with the NGAs, as may be necessary.

Moreover, to ensure continuity in the efficient and effective delivery of services, capacity development interventions shall, as far as practicable, be offered preferably to career or permanent local government personnel as a means of institutional strengthening.

RULE X

STRENGTHENING OF PLANNING, INVESTMENT PROGRAMMING AND BUDGETING LINKAGE AND MONITORING AND EVALUATION (M&E) SYSTEMS

Section 32. Strengthening Planning, Investment Programming and Budgeting Linkage. The vertical and horizontal linkages across different levels of government in development planning, investment programming, and budgeting shall be strengthened to align national, regional, and local priorities. Areas of convergence must be identified to ensure that these national and subnational priorities are addressed in the most efficient manner using both national and local resources. The RDCs shall set the strategic direction for faster development of the regions, especially in the lagging areas, and facilitate alignment of the local development and the land use plans with the goals, objectives, and targets in the Updated Philippine Development Plan and the respective regional development plans.

The regional development investment programs shall contain the proposed intra- and inter-regional programs, projects, and activities (PPAs) of regional line agencies to be funded by the NG, while the provincial/local development investment program (P/LDIP) of provinces, cities, and municipalities shall contain their prioritized list of PPAs for funding by the LGUs. The annual investment program of the LGUs to be funded through local funds, borrowings, and public-private partnerships shall be sourced from their respective P/LDIPs. The RDCs shall assist the LGUs in identifying programs and projects that support national and regional development objectives and targets. Furthermore, they shall help oversee the implementation of inter-provincial programs and projects to ensure their compatibility.

Horizontal linkages shall be strengthened through the improvement in the coordination, synchronization, and joint execution of programs and projects between and among the LGUs. In line with this, provincial governments are reminded of their oversight and coordination functions in the provision of services and implementation of projects within their provinces that cut across city/municipal borders.

Local programs and policies shall be integrated and coordinated towards a common national goal and shall abide by the policies, standards, and strategies which the NG may establish.

Relative to this, the DILG, DOF, NEDA, and DBM shall update existing circulars and agency policies on the harmonization of local planning, investment programming, resource mobilization, budgeting, and expenditure management; and recalibrate the synchronized local and regional planning and budgeting calendars accordingly. These shall form an intrinsic part of this IRR.

Section 33. Strengthening of M&E Systems. Results-based M&E systems shall be established and strengthened in the DILG, DBM, DOF, and other NGAs to ensure the purposive conduct of evaluations by the agencies concerned, and to guarantee that the LGUs have assumed the devolved functions and services effectively in support of good governance, transparency, accountability, and evidence-based decision making.

The NGAs concerned should come up with their own performance monitoring and assessment framework, if not yet established, to ensure that they are effectively and efficiently performing their steering functions as a result of the full devolution effort, consistent with their approved DTPs.

The LGUs are enjoined to fully cooperate in the implementation of the results-based monitoring and evaluation system that will be established by the DILG, DBM, DOF and other NGAs to ensure the purposive monitoring and assessment of the performance of LGUs in the delivery of devolved functions and services.

To systematically track their performance targets, the LGUs shall set up the appropriate mechanism to collect comparable data and information on a regular basis and provide timely analysis of the information that they gathered to serve the purpose of the various performance assessment/monitoring tools and performance assessment reports produced by and for the LGUs, e.g., SGLG, Governance Assessment Report (GAR), Community-Based Monitoring System (CBMS), Provincial Results Matrices (RM), Citizen Satisfaction Index System (CSIS), Rate My LGU Service, and Public Financial Management Tool, among others.

RULE XI

COMMUNICATIONS STRATEGY

Section 34. Creation of the Sub-Committee on Communications Strategy. To ensure strong alignment, synergy, and co-ownership of campaign initiatives among the NGAs, a sub-committee under the ComDev shall be formed within twenty (20) days from the effectivity of this IRR to lead the development and implementation of the national communications strategy for the full devolution. The Sub-Committee shall perform the following functions:

- (a) Develop and approve the communications plan, including the key messages, brand design, and information, education, and communication (IEC) materials (e.g., audio visual presentations, public service announcements, social media cards, and press releases, among others);
- (b) Coordinate with other NGAs concerned and the LGUs for the effective dissemination of the IEC materials to the target audience;
- (c) Ensure that the NGA/LGU communications strategy is aligned with the national communications strategy;
- (d) Conduct communications and outreach activities such as workshops, dialogues, and media engagements to advocate for the full devolution;
- (e) Identify the communication challenges and information gaps of the NGAs, LGUs, and other relevant stakeholders, which may be addressed by the Communications Strategy;
- (f) Submit a quarterly report of its proceedings and accomplishments to the ComDev Secretariat for monitoring and evaluation purposes; and
- (g) Perform other functions as may be necessary in the performance of its mandate under this IRR.

Section 35. Composition of the Sub-Committee on Communications Strategy. The Sub-Committee on Communications Strategy shall be composed of the following:

- (a) Chairperson: DBM
- (b) Vice-Chairperson: PCOO
- (c) Members:
 - 1. DILG
 - 2. DOF
 - 3. NEDA
 - 4. DILG-LGA
 - 5. DOF-BLGF
 - 6. One (1) representative each from the Leagues of Provinces, Cities, and Municipalities of the Philippines, the *Liga ng mga Barangay sa Pilipinas*, and the ULAP.

A designated group/unit in the DBM shall provide secretariat services and support to the Sub-Committee.

Other NGAs, including GOCCs, may be enjoined to become a member of the Sub-Committee, as needed. The Sub-Committee shall also coordinate with all LGU Leagues to ensure harmonization in the communications strategy and campaign.

All member-agencies of the Sub-Committee shall designate focal officials, with a rank not lower than an Assistant Secretary and Director or their equivalent in the LGU Leagues and the ULAP, who shall serve as the permanent and alternate representatives, respectively, to the Sub-Committee on Communications Strategy.

Section 36. Communications Strategy. The Sub-Committee shall develop a comprehensive Communications Strategy, including the roles of the agencies concerned in the communications effort, within thirty (30) days from the effectivity of this IRR, to bridge information gaps, address misinformation, and improve the synergy between the national and local government for the full devolution. The Strategy shall endeavor to build awareness among, increase engagements of, and provide consistent messaging across all target stakeholders, including, but not limited to, CSOs, media, and the general public.

In accordance with Section 7 (f) and Section 10 of EO No. 138, all NGAs concerned and all LGUs shall formulate and develop their respective communications plans which are aligned and complementary to the national communications strategy.

Section 37. Designation of Communications Focal Persons. All NGAs, both oversight and the affected agencies, shall designate focal officials, with a rank not lower than an Assistant Secretary or its equivalent, and personnel who shall participate in this information drive, and ensure the integration of the ComDev's key messaging and communications plan to their respective agencies' communication efforts.

Each department/agency shall inform the Secretariat of the Sub-Committee on Communications Strategy of its designated communications focal persons through an official correspondence for the purpose, within thirty (30) days from the effectivity of this IRR.

RULE XII

ROLE OF CIVIL SOCIETY ORGANIZATIONS

Section 38. Role of Non-Government Organizations (NGOs), Civil Society Organizations (CSOs), and People's Organization (POs). In accordance with Sections 34 and 35 of RA No. 7160 and Article 62 of its IRR, the NGAs and LGUs shall recognize the roles of NGOs, CSOs/POs in enhancing transparency, accountability, and good governance, and as active partners in pursuit of local autonomy, particularly, but not limited to, the following matters:

- (a) Providing feedback on programs, activities, and projects of the government;
- (b) Pushing for various advocacies and initiatives;
- (c) Formulating plans, policies, and issuances; and
- (d) Implementing capacity development programs and other activities.

The NGOs, CSOs/POs are encouraged to participate in the preparation, implementation and monitoring of the DTPs of the NGAs and the LGUs through consultations and public dialogues. The NGAs and LGUs shall ensure that their DTPs have undergone consultation with CSOs prior to its implementation. Their representation in the LGU DTC as provided under Section 15, Rule V of this IRR provides an opportunity for greater participation.

Section 39. Engagement with CSOs. The CSOs shall not be limited to the accredited/registered CSOs by the respective NGAs or to the members of the local special bodies in the respective LGUs. Both NGAs and LGUs shall, as much as possible, ensure equitable representation of CSOs from various sectors such as NGOs, POs, public sector unions, private and business sectors, women's groups, indigenous peoples (IPs), persons with disabilities (PWDs), academe, members of the LGBTQIA+, and the general citizenry, among others.

RULE XIII GROWTH EQUITY FUND

Section 40. Establishment of a Growth Equity Fund (GEF). A GEF shall be proposed by the ComDev to Congress to address issues on marginalization, unequal development, high poverty incidence, and disparities in the net fiscal capacities of the LGUs.

The necessary amount constituting the GEF shall be included by the DBM in the National Expenditure Program starting FY 2022 and thereafter, to cover the funding requirements of programs, projects, and activities of poor, disadvantaged, and lagging LGUs to gradually enable the full and efficient implementation of the devolved functions and services.

Section 41. Guidelines on the Release and Use of the GEF. The GEF shall be released to the LGUs in accordance with the guidelines to be issued by the Development Budget Coordination Committee for the purpose, within thirty (30) days from the effectivity of this IRR. It shall be subject to the mechanisms and guidelines for an equitable, performance-based, and time-bound allocation and distribution of the fund to the LGUs.

The Inter-Agency Steering Committee, composed of the DBM, DILG, DOF, and NEDA, shall be organized to oversee the implementation of the GEF. The Steering Committee can create relevant TWGs, as needed, to attend to specific concerns on the GEF.

In line with Section 6 (a), Rule IV of this IRR on the ComDev function to oversee and monitor the implementation of administrative and fiscal decentralization goals of EO No. 138, the Steering Committee shall, among others, periodically provide the ComDev with the status of the implementation of the GEF. It shall likewise work with the ComDev to inform the latter's policies, decisions, and actions relative to the equity grants extended to marginalized local governments.

RULE XIV GENERAL REQUIREMENTS

Section 42. Funding. The amount necessary for the first year implementation of EO No. 138 shall be sourced from existing appropriations in the case of NGAs, and the respective corporate funds of GOCCs, subject to availability thereof, and existing budgeting, accounting, and auditing laws, rules and regulations. The amounts necessary for subsequent years shall be included in the budget proposals of the agencies concerned.

The funds for the separation incentives of the affected personnel in regular government agencies shall be provided by the NG, subject to existing and applicable budgeting, accounting, and auditing laws, rules and regulations. The separation incentives for the affected personnel of GOCCs shall be sourced from their respective corporate funds. In case of deficiency of funds of GOCCs not exempted from the Salary Standardization Law, the NG may provide assistance in the payment of the separation incentives.

Section 43. Non-interruption of Government Service. EO No. 138, this IRR, and any other guidelines, rules and regulations issued in pursuance of said EO, or any initiative towards the transition of devolved functions from the NGAs to the LGUs, shall not operate to suspend or exempt any government office or personnel from compliance with the provisions of RA No. 11032, or the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018".

Section 44. Construction and Interpretation. Any conflict between and among the provisions of EO No. 138, or any guidelines, rules and regulations issued in pursuance thereof, shall be resolved or construed liberally in favor of the interpretation that would prevent any impediment in the delivery of public services by the NGAs and the LGUs, and that would be consistent with the full devolution of functions to the LGUs consistent with Sections 3 and 17 of the LGC.

RULE XV FINAL PROVISIONS

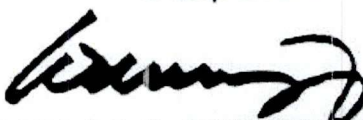
Section 45. Separability. Should any part or provision of this IRR be held unconstitutional or invalid, the other parts or provisions not affected thereby shall continue to be in full force and effect.

Section 46. Effectivity. This IRR of EO No. 138 shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation. It shall be updated by the ComDev, as necessary.

Done, in the City of Manila, this 2nd day of July 2021.


WENDEL E. AVISADO
Secretary, Department of Budget and
Management
Chairperson


EDUARDO M. ANO
Secretary, Department of the Interior and
Local Government
Co-Chairperson


CARLOS G. DOMINGUEZ
Secretary, Department of Finance
Member

Digitally signed by
Carlos G. Dominguez
Date: 2 July 2021





KARL KENDRICK T. CHUA
Secretary, National Economic and
Development Authority
Member






SALVADOR C. MEDIALDEA
Executive Secretary
Member




PRESBITERO J. VELASCO, JR.
National President, League of Provinces of
the Philippines
Member



EVELIO R. LEONARDIA
National President, League of Cities of the
Philippines
Member



LUIS C. SINGSON
President, League of Municipalities of the
Philippines
Member



EDEN CHUA-PINEDA
President, Liga ng mga Barangay sa
Pilipinas
Member



DAKILA CARLO E. CUA
President, Union of Local Authorities of the
Philippines
Member

BASIC SERVICES AND FACILITIES DEVOLVED UNDER THE LOCAL GOVERNMENT CODE OF 1991

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of Agriculture	Agriculture Services	Agricultural extension and on-site research services and facilities which include the prevention and control of plant and animal pests and diseases; dairy farms, livestock markets, animal breeding stations, and artificial insemination centers; and assistance in the organization of farmers and fishermen's cooperatives and other collective organizations, as well as the transfer of appropriate technology	<ul style="list-style-type: none"> • Agriculture extension on-site research services and facilities related to agriculture and fishery activities related to dispersal of livestock, poultry, fingerlings and seedlings; operation of demonstration farms; improvement of local distribution channels, inter-barangay irrigation systems; and enforcement of fishery laws • Fish ports 		Agricultural support services which include planting materials distribution system and operation of farm produce collection and buying stations
❖ Department of Education	Local Infrastructure Services	-	School buildings and other facilities for public elementary and secondary schools		-
		-	Information services which include maintenance of public library		Information and reading center

¹ All the services and facilities of the municipality and province, and in addition thereto, adequate communication and transportation facilities and support for education, police and fire services and facilities

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of Environment and Natural Resources	Natural Resource Management Services	Enforcement of forestry laws limited to community-based forestry projects, pollution control law, small scale mining law, and other laws on environment protection	Implementation of community-based forestry projects which include integrated social forestry programs and similar projects which include integrated social forestry programs and similar projects; management and control of communal forests with an area not exceeding fifty (50) square kilometers; establishment of tree parks, greenbelts and similar forest development projects		-
	Environmental Services	Enforcement of pollution control law	Solid waste disposal system or environmental management system		Services and facilities related to beautification and solid waste collection
❖ Department of Energy	Energy-related Services	Mini-hydroelectric projects for local purposes			
❖ Department of Finance	Other Services: Revenue Mobilization Services	Upgrading and modernization of tax information and collection services through the use of computer hardware and software and other means	Information services which include tax and marketing information systems		-

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of Health	Health Services	Health services which include hospitals and other tertiary health services	<ul style="list-style-type: none"> Health services which include the implementation of programs and projects on: <ul style="list-style-type: none"> Primary health care, Maternal and child care, and Communicable and non-communicable disease control services Access to secondary and tertiary health services Purchase of medicines, medical supplies, and equipment needed to carry out the services herein enumerated Rehabilitation programs for victims of drug abuse Nutrition services and family planning services Clinics, health centers, and other health facilities necessary to carry out health services 		Health services which include the maintenance of barangay health centers
❖ Department of Science and Technology-Food and Nutrition Research Institute					
❖ National Economic and Development Authority-Commission on Population and Development					
❖ Department of Information and Communications Technology-National Telecommunications Commission		Inter-municipal telecommunications services	-		-

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of the Interior and Local Government	Other Services: Local Infrastructure Services;	Provincial buildings, freedom parks and other public assembly areas and similar facilities	Municipal buildings, cultural centers, public parks, including freedom parks, playgrounds, and sports facilities and equipment, and other similar facilities		-
❖ Department of Public Works and Highways	Local Development and Supervision Services;	Provincial jails	Sites for police and fire stations and substations and municipal jail		-
	Maintenance of Peace and Order	-	Public markets, slaughterhouses, and other municipal enterprises		Satellite or public market, where viable
		-	Public cemetery		-
❖ Department of Justice		-	-		Maintenance of Katarungang Pambarangay
❖ Department of Labor and Employment	Other Services: Employment Facilitation	-	Information services which include job placement information systems		-
❖ Department of Public Works and Highways	Local Infrastructure Services	Provincial roads and bridges, inter-municipal waterworks, drainage and sewerage, flood control, reclamation projects	<ul style="list-style-type: none"> • Municipal roads and bridges, small water impounding projects and other similar projects, rainwater collectors and water supply systems, seawalls, dikes, drainage and sewerage, flood control • Facilities related to general hygiene and sanitation 		<ul style="list-style-type: none"> • Maintenance of barangay roads and bridges and water supply systems • Infrastructure facilities such as multi-purpose hall, multi-purpose pavement, plaza, sports center, and other similar facilities • Services and facilities related to general hygiene and sanitation
❖ Department of Environment and Natural Resources					

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of Social Welfare and Development	Social Welfare Services	Social welfare services including programs for rebel returnees, relief operations and population development services	<ul style="list-style-type: none"> Social welfare services including child and youth programs, family and community programs, welfare programs for women, elderly and persons with disabilities, community-based rehabilitation programs for vagrants, beggars, street children, juvenile delinquents Livelihood and other pro-poor projects 		Social welfare services such as maintenance of day-care centers
❖ Office of Presidential Adviser on the Peace Process					
❖ National Youth Commission					
❖ National Economic and Development Authority-Commission on Population and Development					
❖ Department of Trade and Industry		Investment support services, including access to credit financing	Information services on investments information systems		-
❖ Department of Trade and Industry	Other Services	Industrial research and development services, as well as the transfer of appropriate technology	-		-
❖ Department of Science and Technology					
❖ Department of Transportation	Transportation Services	-	Infrastructure facilities such as traffic signals and road signs, and similar facilities		-

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
❖ Department of Tourism	Tourism Services	Tourism development and promotion programs	Tourism facilities and other tourist attractions, including the acquisition of equipment, regulation and supervision of business concessions, and security services for such facilities		-
❖ National Housing Authority	Housing Services	Programs and projects for low-cost housing and other mass dwelling	-		-
❖ Social Housing Finance Corporation					
❖ National Irrigation Administration	Local Infrastructure Services	Irrigation systems	Communal irrigation		-

DEVOLUTION LAWS PASSED AFTER THE 1991 LOCAL GOVERNMENT CODE

RA No.	Title	Date Enacted	Salient Features	Requirements for the LGUs
R.A. No. 11535	An Act Making the Position of a Cooperatives Development Officer Mandatory in Municipal, City and Provincial Levels	27 July 2020	Amended Section 443, Book III, Title Two, Chapter 2; Section 454 Book III, Title Three, Chapter 2; Section 463, Book III Title Four, Chapter 2; Section 487, Book III, Title Five, Article 17	The creation Local Cooperatives Officer in municipal, city, and provincial governments.
R.A. No. 11315	Community-Based Monitoring System Act	17 April 2019	Establishment and institutionalization of CBMS in every city and municipality as an economic social tool towards the formulation and implementation of specific, targeted, and response poverty alleviation and development programs.	The creation of City/Municipal Statistician
R.A. No. 11032	Ease of Doing Business and Efficient Government Service Delivery Act of 2018	28 May 2018	Streamlined procedures for the issuance of local business licenses, clearances, permits, certifications, or authorization	The establishment of the Business Permit and Licensing Office
R.A. No. 10931	Universal Access to Quality Tertiary Education Act	3 August 2017	Provided universal access to tertiary education through free tuition and other school fees in SUCs, other state-run colleges and technical vocational institutions, and providing subsidy and student loan program	Provisions of the law applies to LGU-run technical vocational institutions.
R.A. No. 10742	Sangguniang Kabataan Reform Act of 2015	15 January 2016	Repealed various provisions of the LGC to ensure more meaningful participation of the youth in local governance and nation-building.	The establishment of the Youth Development Office in every province, city, and municipality, headed by a Youth Development Officer
R.A. No. 10121	Philippine Disaster Risk Reduction and Management Act of 2010	27 May 2010	Emphasized the need for risk reduction and preparedness and measures	The establishment of Local DRRM Offices (LDRRMOs) based on NDRRMC-DILG-DBM-CSC JMC No. 2014-1, dated 04 April 2014

RA No.	Title	Date Enacted	Salient Features	Requirements for the LGUs
R.A. No. 9593	The Tourism Act of 2009	12 May 2009	Preparation, implementation, and monitoring of the local tourism development plans that integrate zoning, land use, infrastructure development, the national system of standards for tourism enterprises, heritage and environmental protection imperatives in a manner that encourages sustainable tourism development. LGUs are also tasked to gather statistical data, enforce tourism laws and regulations.	The creation of a permanent position for tourism officer for provinces, cities or municipalities in which tourism is a significant industry, who shall be responsible for preparing, implementing, and updating local tourism development plans, and enforcing tourism laws, rules, and regulations.
R.A. No. 9344	Juvenile Justice and Welfare Act of 2006	28 April 2006	Comprehensive juvenile justice and welfare system that covers the different stages involving children at risk and children in conflict with the law from prevention to rehabilitation and reintegration.	<p>The establishment and strengthening of Local Councils for the Protection of Children (LCPC); allocation of one percent (1%) of the internal revenue allotment of barangays, municipalities, and cities for the programs of the LCPC.</p> <p>The appointment of Local Social Welfare and Development Officer tasked to assist children in conflict with the law.</p>
R.A. No. 9275	Philippine Clean Water Act of 2004	22 March 2004	Formulation of a holistic national program on water quality management with the following key features: cooperation and self-regulations among industries using incentives and market-based instruments, public participation in water quality management and monitoring, system of accountability for adverse environmental impact of programs, projects on the water quality.	To share the responsibility of managing and improving of water quality within their territorial jurisdictions, prepare water quality management area action plan and compliance scheme, comply with the framework of the Water Quality Management Action Plan, take active participation in all efforts concerning water quality protection and rehabilitation, and in the absence of an ENRO, the LCE may designate any official/chief of office to perform the functions provided by law for LGUs.

RA No.	Title	Date Enacted	Salient Features	Requirements for the LGUs
R.A. No. 9184	Government Procurement Reform Act	10 January 2003	Enhanced the transparency, competitiveness, system of accountability and public monitoring in the procurement process	The organization of the Bids and Awards Committee and appointment of at least two (2) observers from non-government/private sector.
R.A. No. 9003	Ecological Solid Waste Management Act of 2001	26 January 2001	Adopted a systematic, comprehensive, and ecological solid waste management (SWM) program promoting appropriate methods and technology and greater public participation.	The LGUs as primary responsible for the implementation and enforcement of solid waste management in their locality; the creation of SWM Boards at the provincial/city and municipal LGUs; and the preparation of LGU SWM plans.
R.A. No. 9009	An Act Amending Section 450 of R.A. 7160 Otherwise Known as the Local Government Code of 1991	24 January 2001	Amended the requirements for the creation of component city.	Increased the average annual income requirements for a municipality or cluster of barangays to be converted into component city from Php20M to Php100M.
R.A. No. 8749	Philippine Clean Air Act of 1999	23 June 1999	Promote a holistic national program of air pollution management with the following features: cooperation and self-regulation among citizens and industries, focus primarily on pollution prevention rather than on control, public participation in air quality planning and monitoring, system of accountability for short and long-term adverse environmental impact of a project, program or activity, with guarantee mechanisms for clean-up and environmental rehabilitation and compensation for personal damages.	The LGUs to Share the responsibility in the management and maintenance of air quality within their territorial jurisdiction and implement the air quality standards set by the Board in areas within their jurisdiction.
R.A. No. 8185	An Act Amending Section 324 (d) of R.A. 7160 Otherwise Known as the Local Government Code of 1991	11 June 1996	Clarified and expanded the explanation on the use of calamity fund and provided the definition for what constitute a calamity.	Designating the Local Development Council to monitor the disbursement of the calamity fund.

RA No.	Title	Date Enacted	Salient Features	Requirements for the LGUs
R.A.7743	Act Providing for the Establishment of Congressional, City and Municipal Libraries and Barangay Reading Centers Throughout the Philippines, Appropriating the Necessary Funds Therefore and For Other Purposes	17 June 1994	The establishment of the public libraries and reading centers shall be an integral part of the development plan of each local government unit: provided, that barangays shall provide the site for barangay reading center	The LGUs shall undertake the maintenance of public libraries and reading centers
R.A. No. 7279	Urban Development and Housing Act of 1992	24 March 1992	Implementation of comprehensive and continuing urban development and housing program for the under privilege and homeless citizens in urban areas and in resettlement areas such as decent and affordable housing, provision of basic services and employment opportunities.	The LGUs shall conduct land inventory, identify lands for socialized housing and resettlement areas for the immediate and future needs of the underprivileged and homeless in the urban areas; facilitate the registration of socialized housing beneficiaries
Executive Order No. 56, S. 2018	Institutionalizing the Emergency 911 Hotline as the Nationwide Emergency Answering Point, Replacing Patrol 117, and for Other Purposes	25 May 2018	Institutionalized the use of 911 as the national emergency number and Emergency 911 National Program: set up the national call center, organize the primary service responders and major support service responders	The LGUs shall provide the necessary assistance in the implementation of the EO.
Executive Order No. 12, S. 2017	Attaining and Sustaining "Zero Unmet Need for Modern Family Planning" through the Strict Implementation of the Responsible Parenthood and Reproductive Health Act, Providing Funds Therefor, and for Other Purposes	09 January 2017	Accelerating the implementation of critical actions necessary to attain and sustain zero unmet need for modern family planning" for all poor households by 2018 and all Filipinos thereafter.	Integrate strategies in the LGU local development plans and investment programs to support universal access to RH services, and mobilizing volunteers, e.g., BHWS, BPVS, and BNS in geographically isolated and disadvantaged areas.