



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



LOCAL BUDGET MEMORANDUM

No. **85-A**
Date: AUG 12 2022

To : Local Chief Executives, Members of the Local Sanggunian, Local Budget Officers, Local Treasurers, Local Planning and Development Coordinators, Local Accountants, and All Others Concerned

Subject : **CLARIFICATIONS ON LOCAL BUDGET MEMORANDUM (LBM) NO. 85 DATED JUNE 15, 2022, ENTITLED, "INDICATIVE FY 2023 NATIONAL TAX ALLOTMENT (NTA) SHARES OF LOCAL GOVERNMENT UNITS (LGUs) AND GUIDELINES ON THE PREPARATION OF THE FY 2023 ANNUAL BUDGETS OF LGUs"**

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- 1.0 This Memorandum is being issued to clarify certain provisions in the list of functions and services that fall within the expenditure assignments of LGUs as enumerated under Annex B of LBM No. 85, to wit:
- 1.1 The delivery of social welfare services, specifically population development services, shall be part of the functions and services that shall be devolved by the Commission on Population and Development.
 - 1.2 The provision of energy-related services supervised and administered by the Department of Energy, such as mini-hydroelectric projects for local purposes, shall be among the basic services and functions assigned to LGUs.
 - 1.3 Finally, agriculture-related programs and services which are components of the National Agrarian Reform Program of the Department of Agrarian Reform shall not be among the devolved functions to LGUs, considering that the implementation of the same is part of the redistributive role of the National Government.
- For easy reference of LGUs, the updated Annex B of LBM No. 85 is appended to this Memorandum.
- 2.0 All other provisions of LBM No. 85 that are not affected by the foregoing clarifications shall remain in full force and effect.
- 3.0 This Memorandum shall take effect immediately.


AMEMAR F. PANGANDAMAN
Secretary



Directing the Full Devolution of Certain Functions of the Executive Branch to Local Governments as a Result of the Supreme Court Ruling on the Mandanas-Garcia Cases

EXPENDITURE ASSIGNMENT BASED ON 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 (DENR)	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
<p>Department of Health</p> <p>Department of Science and Technology (DOST)- Food and Nutrition Research Institute</p> <p>National Economic and Development Authority- Commission on Population and Development (NEDA-POPCOM)</p>	<p>Health Services</p>	<p>Health services which include hospitals and other tertiary health services</p>	<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 		<p>Health services which include the maintenance of barangay health centers</p>

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
Department of Information and Communications Technology-National Telecommunications Commission		Inter-municipal telecommunications services	-		-
Department of the Interior and Local Government Department of Public Works and Highways (DPWH)	Other Services: Local Infrastructure Services; Local Development and Supervision Services; Maintenance of Peace and Order	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		-
		Provincial jails	Sites for police and fire stations and substations and municipal jail		-
		-	Public markets, slaughterhouses, and other municipal enterprises		Satellite or public market, where viable
		-	Public cemetery		-
Department of Justice		-	-		Maintenance of <i>Katarungang Pambarangay</i>
Department of Labor and Employment	Other Services: Employment Facilitation	-	Information services which include job placement information systems		-

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
<p>DPWH</p> <p>DENR</p>	<p>Local Infrastructure Services</p>	<p>Provincial roads and bridges, inter-municipal waterworks, drainage and sewerage, flood control, reclamation projects</p>	<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
<p>Department of Social Welfare and Development</p> <p>Office of Presidential Adviser on the Peace Process</p> <p>National Youth Commission</p> <p>NEDA-POPCOM</p>	<p>Social Welfare Services</p>	<p>Social welfare services including programs for rebel returnees, relief operations and population development services</p>	<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 		<p>Social welfare services such as maintenance of day-care centers</p>

Department/ Agency/GOCC	Functions/ Services	Provinces	Municipalities	Cities ¹	Barangays
Department of Trade and Industry (DTI)		Investment support services, including access to credit financing	Information services on investments information systems		-
DTI DOST	Other Services	Industrial research and development services, as well as the transfer of appropriate technology	-		-
Department of Transportation	Transportation Services	-	Infrastructure facilities such as traffic signals and road signs, and similar facilities		-
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 Social Housing Finance Corporation	Housing Services	Programs and projects for low-cost housing and other mass dwelling	-		-
National Irrigation Administration	Local Infrastructure Services	Irrigation systems	Communal irrigation		-