

XXXVI. ALLOCATIONS TO LOCAL GOVERNMENT UNITS

A. METROPOLITAN MANILA DEVELOPMENT AUTHORITY

STRATEGIC OBJECTIVES

MANDATE

- Development Planning
- Traffic and Transport Management
- Solid Waste Disposal and Management
- Flood Control and Sewerage Management
- Urban Renewal, Zoning and Land Use Planning and Shelter Services
- Health and Sanitation, Urban Protection and Pollution Control
- Public Safety

VISION

Toward a Humane World Class Metropolis

MISSION

As a humane metropolis, Metro Manila will become a livable and workable physical environment for all.
 As a global-oriented metropolis, Metro Manila will evolve into a major business and transaction center in the Asia-Pacific region.
 As a center of growth polygon for Luzon Island, Metro Manila will influence the creation of socio-economic opportunities in the areas beyond its political and administrative boundaries.

KEY RESULT AREAS

- Rapid, Inclusive and Sustained Economic Growth
- Integrity of the Environment and Climate Change Adaptation and Mitigation

SECTOR OUTCOME

Improve traffic and transport management, traffic discipline; sustainable management of floodways, drainage, esteros and canals; improved health and sanitation, cleanliness, beautification and pollution control; sustainable maintenance of sanitary landfills

ORGANIZATIONAL OUTCOME

- Convenient movement of persons and goods in Metro Manila assured
- Efficient and effective delivery of metrowide services assured
- Improved environmental conditions, maintenance of cleanliness, health and sanitation assured
- Flood mitigation assured

New Appropriations, by Purpose/Project

=====

Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
--	-----------------------	---	--------------------	-------

PURPOSE

300000000 Operations	P 21,316,000	P 1,248,569,000		P 1,269,885,000
MFO 1: Solid Waste Disposal and Management Services		898,538,000		898,538,000

MFO 2: Transport and Traffic Management Services		99,897,000	99,897,000
MFO 3: Flood Control and Sewerage Management Services	21,316,000	250,134,000	271,450,000
Total, Purpose	21,316,000	1,248,569,000	1,269,885,000

PROJECT(S)

400000000 Locally-Funded Project(s)		194,956,000	866,520,000	1,061,476,000
Total, Project(s)		194,956,000	866,520,000	1,061,476,000

TOTAL NEW APPROPRIATIONS	P 21,316,000	P 1,443,525,000	P 866,520,000	P 2,331,361,000
---------------------------------	---------------------	------------------------	----------------------	------------------------

New Appropriations, by Central/Regional Allocation

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
--	-------------------------------	---	----------------------------	--------------

REGION

National Capital Region (NCR)	P 21,316,000	P 1,443,525,000	P 866,520,000	P 2,331,361,000
TOTAL NEW APPROPRIATIONS	P 21,316,000	P 1,443,525,000	P 866,520,000	P 2,331,361,000

Special Provision(s)

1. **Income and Revenue of MMDA.** All income and revenues collected by the MMDA from all sources shall be used to cover all of its operating requirements: PROVIDED, That the subsidy appropriated in this Act shall only be used to augment any deficiency in the consolidated funds of the MMDA for valid and authorized expenditures.

2. **Fines, Fees, Charges and Remittances.** The MMDA is authorized to use collections from fines, fees and charges which it may impose, the IRA allocated to the Authority, and the mandatory remittances of its component LGUs to implement such programs, projects and activities, as may be approved by the Metro Manila Council (MMC) pursuant to Section 10 of R.A. No. 7924.

3. **Cost Allocation of Flood Control Projects.** The MMDA shall adopt the cost allocation being used by DPWH in the implementation of flood control projects.

4. **Release of Fund.** The amounts appropriated herein shall be released to the MMDA only upon submission to the DBM, not later than November 15 of the preceding year, its detailed and consolidated operating budget for the current fiscal year. The detailed and consolidated operating budget shall reflect the Authority's income from all sources including those from fines, fees and charges authorized under Section 10 of R.A. No. 7924 and its Implementing Rules and Regulations, the IRA allocated to the Authority, and the mandatory remittances of its component LGUs, as well as its projected expenditures, targeted activities and projects, and physical and financial plan as may be approved by the MMC.

5. **Reporting Requirement.** The MMDA shall submit, either in printed form or by way of electronic document, to the DBM the annual report of financial and physical performances as compared with the consolidated operating budget required for the release of funds, explaining performance in terms of work and financial results pursuant to E.O. No. 518, s. 1979. The Chairperson of MMDA and the Authority's web administrator or his/her equivalent shall be responsible for ensuring that said report shall likewise be posted on the official website of the MMDA.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Formulation, coordination, regulation and implementation of medium and long term plans and programs for the delivery of metro-wide services, and physical development within Metropolitan Manila consistent with national development objectives and priorities.

2. Provision/delivery of specific services in Metropolitan Manila such as flood control management, traffic and transport management, maintenance/establishment of sanitary landfill, urban renewal, health and sanitation and pollution control and public safety

especially preparedness for preventive or rescue operations during times of calamities and disasters such as conflagrations, earthquake, flood and tidal waves and coordination and mobilization of resources and the implementation of contingency plans for the rehabilitation and relief operations in coordination with national agencies concerned.

MAJOR FINAL OUTPUTS (MFO) / PERFORMANCE INDICATORS

Targets

=====		=====
MFO 1: Solid Waste Disposal and Management Services		
Tonnes of solid waste under management		55% of 43,931.39 cum/day
Compliance with the provisions of Environmental Compliance Certificate and R.A. No. 9003 "Ecological Solid Waste Act of 2000"		100%
Proper documentation of activities of events within the landfill		100%
Percentage of waste management loads services within 10 minutes		70%
Remaining availability of disposal space within ten years		58%
MFO 2: Transport and Traffic Management Services		
Number of kilometers of road networks under management		197,297 km
Average travel speed on Metro Manila road networks		29 km/hr
The number of violators with two or more tickets issued over the past two years as a percentage of the total number of violators		20%
Percentage of motor vehicle accidents that result in a death		.39%
Percentage of traffic signal outages that are repaired within two hours		98%
Percentage of traffic obstructions responded to within fifteen minutes		90%
MFO 3: Flood Control and Sewerage Management Services		
Kilometers of drainage channel and waterways under management		595,132 km
Estimated square kilometers of urban area subject to flooding as a ratio of the expected area based on historical/normal rainfall intensity		3,845 hectares
Percentage of channels and waterways subject to maintenance inspection and declogging at least thrice in the last year		100% continuing activity

B. SPECIAL SHARES OF LOCAL GOVERNMENT UNITS IN THE PROCEEDS OF NATIONAL TAXES

New Appropriations, by Purpose

=====	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
TOTAL NEW APPROPRIATIONS		P16,602,482,000		P16,602,482,000
		=====		=====

New Appropriations, by Central/Regional Allocation

=====	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
Regional Allocation		P16,602,482,000		P16,602,482,000
		=====		=====

Nationwide	16,602,482,000	16,602,482,000
	-----	-----
TOTAL NEW APPROPRIATIONS	P16,602,482,000	P16,602,482,000
	-----	-----

Special Provision(s)

1. Internal Revenue Allotment of LGUs. In addition to the LGU shares appropriated herein, Three Hundred Forty One Billion Five Hundred Forty Four Million Seven Hundred Twenty Six Thousand Pesos (P341,544,726,000) is automatically appropriated for the LGU share in the national internal revenue taxes pursuant to R.A. No. 9358 and shall be allocated in accordance with Section 285 of R.A. No. 7160 and Section 84 of the General Provisions of this Act.

2. Use, Allocation and Release of LGU Share in National Wealth. The amount of Two Billion Four Hundred Thirty Seven Million Four Hundred Seventy Seven Thousand Pesos (P2,437,477,000) appropriated herein for the LGU share in mining taxes, royalties from mineral reservations, forestry charges, and fees and revenues collected from energy resources in the utilization and development of national wealth shall be used in accordance with Section 294 of R.A. No. 7160: PROVIDED, That said shares shall be allocated among the LGU beneficiaries pursuant to Section 292 of R.A. No. 7160: PROVIDED, FURTHER, That the foregoing share from estimated collections in CY 2013, as reflected in FY 2014 BESF, as well as those in prior years shall be released to the LGU beneficiaries, subject to the submission of a joint or reconciled certification/s of actual collection by the revenue collecting agencies and remittance to the BTr.

3. Use, Allocation and Release of LGU Share in Excise Taxes from Locally Manufactured Virginia-Type Cigarettes. The amount of Four Billion Eight Hundred Seven Million Five Hundred Ninety Three Thousand Pesos (P4,807,593,000) appropriated herein for the LGU share in excise taxes from locally manufactured Virginia-type cigarettes shall be used in accordance with Section 2 of R.A. No. 7171 and Section 289 of R.A. No. 8424: PROVIDED, That fifty percent (50%) of said LGU shares shall be used for barangay economic development projects: PROVIDED, FURTHER, That said shares shall be allocated pursuant to M.C. No. 61-A dated November 28, 1993, as follows:

(a) Thirty percent (30%) to the provincial government of the beneficiary province;

(b) Forty percent (40%) to the municipalities and cities to be further distributed as follows: (i) Fifty percent (50%) to be divided equally among all the municipalities and cities of the beneficiary provinces; and (ii) Fifty percent (50%) to be divided according to the volume of their respective tobacco production and acceptances; and

(c) Thirty percent (30%) to the identified municipalities and cities in the congressional districts of a beneficiary province. The share of each congressional district shall be based on the volume of tobacco production within each district.

PROVIDED, FURTHERMORE, That the release of the LGU share from collections realized in CY 2012, as reflected in the FY 2014 BESF, shall be subject to the submission of: (i) documentary requirements that may be prescribed in the guidelines to be issued by the DBM; (ii) joint or reconciled certification/s of actual collections by the BIR and remittance to the BTr; and (iii) certification of volume of production and acceptances made by the National Tobacco Administration as basis for distribution of shares. (CONDITIONAL IMPLEMENTATION - President's Veto Message, December 20, 2013, page 1108, R.A. No. 10633)

4. Use, Allocation and Release of LGU Share in Excise Taxes from Burley and Native Tobacco Products. The amount of Eight Hundred Thirty Two Million Four Hundred Two Thousand Pesos (P832,402,000) appropriated herein for the LGU share in excise taxes from Burley and native tobacco products shall be used in accordance with Section 8 of R.A. No. 8240: PROVIDED, That said shares shall be allocated and distributed pursuant to the guidelines to be jointly issued by the DBM, DOF and BIR: PROVIDED, FURTHER, That the release of the LGU share from collections realized in CY 2012, as reflected in the FY 2014 BESF, shall be subject to the submission of: (i) documentary requirements that may be prescribed in the guidelines to be issued by the DBM; (ii) joint or reconciled certification/s of actual collections by the BIR and remittance to the BTr; and (iii) certification of volume of production and acceptances made by the NTA as basis for distribution of shares.

5. Allocation and Release of LGU Share in Incremental Collection from Value-Added Tax. The amount of Four Billion Eight Hundred Seventy Three Million Four Hundred Sixty Seven Thousand Pesos (P4,873,467,000) appropriated herein for the LGU share in incremental collection from value-added tax (VAT) authorized under R.A. No. 7643, as amended and R.A. No. 8424, as amended shall be allocated to the LGU beneficiaries pursuant to Section 150 of R.A. No. 7160, as implemented by DBM-DOF-DILG Joint Circular No. 1-02 dated February 6, 2002: PROVIDED, That the foregoing share from estimated collections in CY 2013, as reflected in FY 2014 BESF, as well as those in prior years shall be released to the LGU beneficiaries subject to the submission of a joint or reconciled certification/s of actual collections by the BIR and remittance to the BTr.

6. Allocation and Release of LGU Share from Value-Added Tax in lieu of Franchise Tax. The amount of Fifteen Million Fifty Eight Thousand Pesos (P15,058,000) appropriated herein for the LGU share from VAT in lieu of franchise tax authorized under R.A. No. 6631, as amended by R.A. No. 8407, and R.A. No. 6632, as amended by R.A. No. 7953 shall be allocated to the LGU beneficiaries pursuant to DBM-DOF Joint Circular No. 2008-1 dated June 16, 2008: PROVIDED, That the foregoing share from estimated collections in CY 2012, as reflected in FY 2014 BESF shall be released to the LGU beneficiaries, subject to the submission of a joint or reconciled certification/s of actual collections by the BIR and remittance to the BTr.

7. Allocation and Release of LGU Share in Gross Income Tax Paid by all Businesses and Enterprises Within the Economic Zones. The

amount of Thirty One Million Nine Hundred Twenty One Thousand Pesos (P31,921,000) appropriated herein for the LGU share in the gross income tax paid by all businesses and enterprises located within the Economic Zones shall be allocated to the LGU beneficiaries pursuant to the provisions of R.A. No. 7922, subject to guidelines to be jointly issued by DBM and DOF: PROVIDED, That the foregoing share from collections realized in CY 2012, as reflected in FY 2014 BESF, as well as those in prior years shall be released to the LGU beneficiaries, subject to the submission of a joint or reconciled certification/s of actual collections by the BIR and remittance to the BTr.

8. Internal Revenue Allotment Monetization Program. The IRA Monetization Program shall be spread over a period of seven (7) years. For this year, the amount of One Billion Seven Hundred Ninety Six Million Seven Hundred Six Thousand Pesos (P1,796,706,000) appropriated herein shall represent the sixth installment of the IRA difference due to the reenactment of the General Appropriations Act for FYs 2001 and 2004, which will end in the year 2015: PROVIDED, That remittance to LGUs shall take into consideration any contractual agreement entered into by them upon exercise of their option to avail of the IRA Monetization Program as prescribed under E.O. No. 723, s. 2008.

9. Tobacco Monetization Program. The Tobacco Monetization Program shall be spread over a period of seven (7) years. For this year, the amount of One Billion Eight Hundred Seven Million Eight Hundred Fifty Eight Thousand Pesos (P1,807,858,000) appropriated herein shall cover the following:

(a) Eight Hundred Ninety Seven Million Seven Hundred Fifty Seven Thousand Pesos (P897,757,000) shall constitute the fifth installment of the unreleased LGU shares in excise taxes from locally manufactured Virginia-type cigarettes for CYs 2002-2009 pursuant to R.A. No. 7171 and BIR Revenue Regulation No. 12-2008 dated September 23, 2008, which will end in the year 2016; and

(b) Nine Hundred Ten Million One Hundred One Thousand Pesos (P910,101,000) shall represent the fifth installment of the unreleased LGU shares in excise taxes from Burley and native tobacco products for CYs 1997-2007 pursuant to R.A. No. 8240 and BIR Revenue Regulation No. 15-2008 dated November 21, 2008, which will end in the year 2016.

PROVIDED, That remittance to LGUs shall take into consideration any contractual agreement entered into by them upon exercise of their option to avail of the monetization program for the locally manufactured Virginia-type cigarettes and Burley and native tobacco products, as prescribed under E.O. No. 846, s. 2009 and E.O. No. 843, s. 2009, respectively.

10. Release of LGU Shares in the Proceeds of National Taxes. The amounts appropriated herein shall be released by the DBM directly to the LGU beneficiaries.

C. BARANGAY OFFICIALS DEATH BENEFITS FUND

New Appropriations, by Purpose

=====

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
TOTAL NEW APPROPRIATIONS		P 50,000,000		P 50,000,000
		=====		=====

New Appropriations, by Central/Regional Allocation

=====

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
Regional Allocation		P 50,000,000		P 50,000,000
Nationwide		50,000,000		50,000,000
TOTAL NEW APPROPRIATIONS		P 50,000,000		P 50,000,000
		=====		=====

Special Provision(s)

1. **Use of Fund.** The amount of Fifty Million Pesos (P50,000,000) appropriated herein shall be used for the payment of death benefits to barangay officials, namely: the punong barangay, seven (7) barangay kagawads, sangguniang kabataan president as ex-officio barangay kagawad, barangay secretary and treasurer who died during their term of office.

The funds shall be released to, and administered by, the DILG in accordance with its rules and regulations.

D. LOCAL GOVERNMENT SUPPORT FUND (FORMERLY FINANCIAL SUBSIDY TO LOCAL GOVERNMENT UNITS)**New Appropriations, by Purpose**

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
TOTAL NEW APPROPRIATIONS		P 405,000,000		P 405,000,000

New Appropriations, by Central/Regional Allocation

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
Regional Allocation		P 405,000,000		P 405,000,000
Nationwide		405,000,000		405,000,000
TOTAL NEW APPROPRIATIONS		P 405,000,000		P 405,000,000

Special Provision(s)

1. **Local Government Support Fund.** The amount of Four Hundred Five Million Pesos (P405,000,000) appropriated herein for financial assistance to LGUs, including One Hundred Million Pesos (P100,000,000) for the City of Manila, Fifty Million Pesos (P50,000,000) for the City of Caloocan and Fifty Million Pesos (P50,000,000) for the Municipality of Lal-lo, Cagayan shall be used to support the various priority programs and projects of LGUs and shall be released in accordance with the guidelines issued by the DBM. (CONDITIONAL IMPLEMENTATION)

-President's Veto Message, December 20, 2013, page 1109, R.A. No. 10633)

E. SPECIAL SHARES OF LOCAL GOVERNMENT UNITS IN THE PROCEEDS OF FIRE CODE FEES**New Appropriations, by Purpose**

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
TOTAL NEW APPROPRIATIONS		P 200,000,000		P 200,000,000

New Appropriations, by Central/Regional Allocation

=====

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
Regional Allocation		P 200,000,000		P 200,000,000
		-----		-----
Nationwide		200,000,000		200,000,000
		-----		-----
TOTAL NEW APPROPRIATIONS		P 200,000,000		P 200,000,000
		=====		=====

Special Provision(s)

1. Use and Release of LGU Shares in the Fire Code Revenues. The amount of Two Hundred Million Pesos (P200,000,000) appropriated herein for the LGU shares in the taxes, fees and fines collected by the Bureau of Fire Protection (BFP) pursuant to Section 13 of R.A. No. 9514 shall be used by the LGUs for the operation and maintenance of local fire stations.

Release of this amount shall be subject to guidelines to be jointly issued by the BFP, DILG and DBM.

GENERAL SUMMARY

ALLOCATIONS TO LOCAL GOVERNMENT UNITS

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Metropolitan Manila Development Authority	P 21,316,000	P 1,443,525,000	P 866,520,000	P 2,331,361,000
B. Special Shares of Local Government Units in the Proceeds of National Taxes		16,602,482,000		16,602,482,000
C. Barangay Officials Death Benefits Fund		50,000,000		50,000,000
D. Local Government Support Fund (Formerly Financial Subsidy to Local Government Units)		405,000,000		405,000,000
E. Special Shares of Local Government Units in the Proceeds of Fire Code Fees		200,000,000		200,000,000
Total New Appropriations, Allocations to Local Government Units	P 21,316,000	P 18,701,007,000	P 866,520,000	P 19,588,843,000