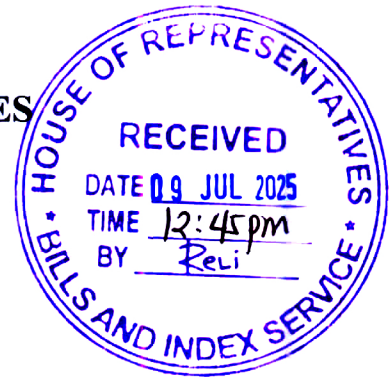


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 1637



Introduced By Representative Paolo Henry M. Marcoleta

EXPLANATORY NOTE

The Philippine legal system recognizes the Barangay as the most basic political unit.¹ With history dating back pre-colonial times, it is deemed as the administrative body closest to the people. It provides basic social and health services, and facilitates neighborhood planning and assembly.

Barangay officials facilitate community reconciliation and even serve as an essential response unit in times of emergencies and disasters. With more or less 42,000 barangays in the country, the barangay undoubtedly plays an indispensable role to the country's current political landscape and development².

Barangays today, however, face various challenges. Among such issues is the fact that barangays and barangay officials—especially those in rural and remote areas—often lack resources and support. This is despite the extensive nature of their work, which often always requires them to be on-standby 24 hours a day, 7 days a week.

Politics also considerably impacts the distribution of resources and projects at the barangay level. A mayor's political priorities may lead to the concentration of resources and development projects in certain areas while neglecting others. Various factors, including political alliances, personal biases, and the availability of funds, can influence this. As a result, economic development is not cascaded to the barangays the way it should.

¹ Section 384. Local Government Code.

² Department of Interior and Local Government. "Regional Summary – Number of Provinces, Cities, and Municipalities and Barangays as of March 31, 2025." (29 April 2025). Accessed from: <https://www.dilg.gov.ph/facts-and-figures/Regional-Summary-Number-of-Provinces-Cities-Municipalities-and-Barangays-as-of-March-31-2025/32>

Thus, it is crucial to re-examine the functions of the barangay not only as a political unit but also as an enabler of the community's socioeconomic affairs. Equipping barangays with the necessary skills to manage their limited resources effectively, generate economic gains, and provide basic local services to their constituents is essential.

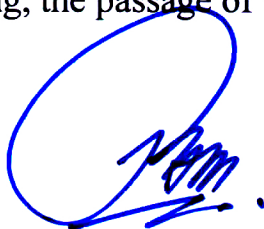
This bill seeks to establish a Barangay Affairs and Development Commission – a government agency that will focus on the development and welfare of barangays. The proposed commission will formulate policies, plans, and programs for the development of barangays, monitor and evaluate the implementation of barangay development programs, provide technical assistance and capacity-building initiatives, and coordinate with relevant government agencies for resource generation and allocation for barangay development.

This measure also proposes the creation of a Barangay Development Fund, which will be utilized exclusively for the development projects and programs of the barangays, including subsidies to poor barangays for the honoraria of barangay officials and employees. This will ensure that barangays have the financial resources to implement their local development initiatives and pay reasonable honoraria for their officials and employees.

The creation of the Barangay Affairs and Development Commission will enhance the capacity of barangays to address the needs of their constituents, particularly in rural areas where many barangays need more resources and expertise to provide essential services. The commission will also bridge the national government and the barangays, ensuring that national policies and programs are effectively implemented.

With the passage of this bill, the country takes a significant step towards strengthening our barangays, empowering our citizens at the grassroots level, and realizing the true potential of effective local governance.

In view of the foregoing, the passage of this bill is earnestly sought.



PAOLO HENRY M. MARCOLETA
Representative, SAGIP Partylist

Republic of the Philippines
HOUSE OF REPRESENTATIVES
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AN ACT

CREATING THE BARANGAY AFFAIRS AND DEVELOPMENT COMMISSION, DEFINING ITS POWERS AND FUNCTIONS, ESTABLISHING THE BARANGAY DEVELOPMENT FUND, AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Short Title.** - This Act shall be known as the “*Barangay Affairs*
2 *and Development Commission Act.*”
3

4 **SEC. 2. Declaration of Policy.** - The State recognizes the barangay as the basic
5 political unit that serves as the primary planning and implementing unit of government
6 policies, plans, programs, projects, and activities in the community, and as a forum
7 wherein the collective views of the people may be expressed, formed and considered,
8 and where disputes may be amicably settled. The State also recognizes the barangay’s
9 important role in supporting good governance, promoting public participation and
10 achieving sustainable development. Towards this end, the State shall uplift the social,
11 economic and political status of barangays by institutionalizing a body focused on
12 barangay welfare and development.
13

14 **SEC. 3. Barangay Affairs and Development Commission.** – The Barangay
15 Affairs and Development Commission, hereinafter referred to as the “Commission,” is
16 created to oversee barangay affairs, support the development of barangays, and
17 implement the programs and projects of the national government that promote the
18 welfare and development of the barangays.

1 The Commission shall be an agency attached to the Department of the Interior
2 and Local Government (DILG) for policy and program coordination. It shall establish
3 its principal office in the National Capital Region and may set-up field offices as may
4 be necessary to fulfill its mandate and in coordination with appropriate government
5 agencies.
6

7 **SEC. 4. *Composition.*** – The Commission shall be composed of seven (7)
8 regular Commissioners to be appointed by the President of the Philippines. Three (3)
9 Commissioners shall represent Luzon, two (2) shall represent Visayas and two (2)
10 shall represent Mindanao: Provided, That at least two (2) Commissioners are women.
11 The Secretary of the Interior and Local Government and President of the National
12 Liga ng mga Barangay shall serve as ex-officio Chairperson and ex-officio member,
13 respectively.
14

15 **SEC. 5. *Term of Office.*** – The regular Commissioners shall have a term of
16 office of four (4) years, without prejudice to reappointment by the President of the
17 Philippines. Of those first appointed, the three (3) Commissioners shall hold office for
18 four (4) years, two (2) Commissioners shall hold office for three (3) years, and two (2)
19 Commissioners shall hold office for two (2) years. Appointment to any vacancy shall
20 only be for the unexpired term of the predecessor.
21

22 **SEC. 6. *Qualifications.*** – The regular Commissioners must be citizens and
23 residents of the Philippines; at least forty-five (45) years old at the time of their
24 appointment; of good moral character; have not been convicted by final judgment of a
25 crime involving moral turpitude; and possessed a working knowledge in public
26 administration with a minimum of five (5) years of experience in the administration of
27 local government units, preferably with legal or financial knowledge on local
28 government programs.
29

30 **SEC. 7. *Powers and Functions.*** – The Commission shall exercise the following
31 powers and functions:
32

- 33 a. Formulate, coordinate, and undertake development programs, plans,
34 policies, and projects for the advancement of barangays, with due
35 consideration to national and local development plans;
36
- 37 b. Identify the problems and needs of a barangay and recommend
38 appropriate solutions necessary for its development and conduct
39 research, study and analysis for the purpose;
40

- c. Assess, monitor, and evaluate the performance of the barangays and initiate measures and interventions to improve their operations and services;
- d. Provide technical assistance, advisory services and trainings to barangay officials and personnel;
- e. Coordinate with other national and local government agencies, as well as non-government organizations, civil society groups, and other stakeholders involved in barangay development efforts;
- f. Administer and manage the Barangay Development Fund established under Section 17 of this Act, and other resources allocated to the Commission for barangay development;
- g. Issue and promulgate rules, regulations and guidelines as may be necessary to implement and enforce its powers and functions under this Act;
- h. Appoint, hire and maintain adequate staff and personnel, advisers or consultants with suitable qualifications and experience, as may be necessary; and
- i. Exercise such other powers and functions necessary or incidental or that which the President may, from time to time, assign to the Commission to carry out the objectives of this Act and for the effective administration, management and development of barangays

SEC. 8. *Organizational Structure.* – Subject to the approval of the Department of Budget and Management, the Commission shall determine its organizational structure and staffing pattern, create offices, divisions, or units as it may deem necessary, and appoint its officers and employees in accordance with civil service laws, rules and regulations.

In addition to any office that the Commission may create, the Commission shall establish the following permanent offices:

- a. Administrative and Human Resource Management Service;
- b. Barangay Affairs Monitoring and Evaluation Service;

1 c. Barangay Development and Planning Service;

2
3 d. Financial Management Service;

4
5 e. Legislative and Legal Service;

6
7 f. Regional Offices

8
9 The Office of the Undersecretary for Barangay Affairs and National Barangay
10 Operations Office, including their powers and functions, under the DILG are hereby
11 transferred to the Commission.

12
13 The remuneration and other emoluments for the positions in the staffing pattern
14 shall strictly conform with existing laws on compensation and position classification.

15
16 **SEC. 9. *Executive Director.*** – The Commission shall appoint an Executive
17 Director who shall implement the policies, rules, regulations and directives of the
18 Commission, and manage, coordinate and supervise the daily operations of the
19 Commission.

20
21 The Executive Director shall be a Career Executive Service Officer and must
22 possess working knowledge in public administration and must have a minimum of
23 five (5) years of experience in the administration of local government units, preferably
24 with legal or financial knowledge of local government programs.

25
26 **SEC. 10. *Administrative and Human Resource Management Service.*** – The
27 Administrative and Human Resource Management Service of the Commission shall
28 be responsible for providing the Commission with efficient and effective staff services
29 relating to personnel, information, records, supplies, equipment, collection,
30 disbursement, security, and custodial work. For such purposes, it shall exercise the
31 following functions:

32
33 a. Advise the Commission on all matters relating to internal administration
34 and human resources management;

35
36 b. Prepare and implement an integrated personnel plan that includes
37 provisions on merit promotions, performance evaluation, job rotation,
38 suggestions and incentive awards systems, and health and welfare
39 services;

- c. Provide services related to human resources training, education, and development, including manpower, career planning and forecasting, and development of indigenous training materials;
- d. Establish and maintain an efficient and cost-effective property procurement system, in line with existing laws, and coordinate or otherwise interface with relevant agencies, whether government or private, for the purpose of developing or upgrading the system;
- e. Secure and maintain necessary facilities, and develop, establish, and maintain an efficient and effective security system covering, among others, personnel, physical installations, equipment, documents, and materials, including the conduct of security investigations;
- f. Coordinate with the appropriate government agencies for a more efficient conduct of administrative processes;
- g. Develop, establish, and maintain an efficient records system;
- h. Provide assistance in its area of specialization to the Commission; and
- i. Perform such other related duties and responsibilities as may be assigned or delegated by the Commission or as may be required by law.

Sec. 11. *Barangay Affairs Monitoring and Evaluation Service.* – The Barangay Affairs Monitoring and Evaluation Service shall be responsible for providing the Commission with effective staff services relating to monitoring and evaluation of programs and projects, including timely reports on the status of various Commission projects and activities, regulatory compliance of barangays, and barangay statistics, status, and evaluation.

The National Barangay Operations Office under the DILG shall serve as the Barangay Affairs Monitoring and Evaluation Service and exercise the following functions:

- a. Advise the Commission on all matters relating to monitoring, evaluation and functionality of barangays;
- b. Assess, monitor and evaluate the performance of barangays and initiate measures to improve their operations and services;

- c. Develop policies, plans and programs related to barangay governance and administration;
- d. Develop and maintain a system for retrieving and processing monitoring information on all projects and activities of concern, including the regulatory compliance of barangays, to the Commission;
- e. Provide technical assistance and advisory services to the barangays;
- f. Coordinate with the appropriate national government agencies tasked with management of barangay affairs; and
- g. Perform such other related duties and responsibilities as may be assigned or delegated by the Commission or as may be required by law.

Sec. 12. *Barangay Development and Planning Service.* – The Barangay Development and Planning Service shall be responsible for developing policies, plans and programs related to barangay development. For this purpose, it shall exercise the following functions:

- a. Advise the Commission on all matters relating to barangay development and planning;
- b. Develop policies, plans and programs related to barangay development and coordinate with other stakeholders involved in barangay development efforts;
- c. Formulate strategies and priorities for sustainable development in barangays consistent with national development objectives and initiate or undertake relevant surveys for development planning;
- d. Assist in the formulation of Barangay Development Master Plan and gather, analyze and organize necessary data and information;
- e. Provide relevant technical assistance to other offices of the Commission as needed; and
- f. Perform such other related duties and responsibilities as may be assigned or delegated by the Commission or as may be required by law.

1 **Sec. 13. *Financial Management Service.*** – The Financial Management Service
2 shall be responsible for providing the Commission with coordinated services relating
3 to financial systems and procedures, budget, cash, accounting, and all financial
4 housekeeping matters, including the management of the Barangay Development Fund.
5 For such purposes, it shall have the following functions:

- 6
- 7 a. Advise the Commission on all matters relating to the accounting of
8 government expenditures and receipts, budgeting and cash management,
9 project finances, and financial systems and procedures;
 - 10
 - 11 b. Prepare budget proposals and pursue formal budget authorizations,
12 undertake budget execution, and prepare and submit all appropriate reports
13 to the proper offices;
 - 14
 - 15 c. Develop and maintain accounting, financial, and assets management
16 systems, procedures, and practices in the Commission, including the
17 management of the Barangay Development Fund;
 - 18
 - 19 d. Provide assistance in its area of specialization to any unit of the
20 Commission;
 - 21
 - 22 e. Review and appraise systems and procedures, organizational structure,
23 assets management practices, accounting, and other records, reports, and
24 performance standards such as budgets and standard costs of the
25 Commission; and
 - 26
 - 27 f. Perform such other related duties and responsibilities as may be assigned or
28 delegated by the Commission or as may be required by law
 - 29

30 **Sec. 14. *Legislative and Legal Service.*** – The Legislative and Legal Service
31 shall be responsible for providing the Commission with services on legislative and
32 legal affairs such as contract letting and litigation, legal and legislative research,
33 complaints investigation, legal counseling, and other matters of law. For such
34 purposes, it shall have the following functions:

- 35
- 36 a. Advise the Commission on all matters relating to legislative and legal
37 affairs;
 - 38

- b. Prepare Department contracts and legal instruments, review and interpret all contracts and agreements entered into by the Commission, and evaluate all legal proposals;
- c. Conduct administrative investigation as well as the review of administrative charges against officers and employees of the Commission;
- d. Exercise functional jurisdiction over the legislative and legal staff of regional offices;
- e. Provide legal assistance to the Commission and its offices; and
- f. Perform such other related duties and responsibilities as may be assigned or delegated by the Commission or as may be required by law.

Sec. 15. *Regional Office.* – Regional offices shall be responsible for providing support and assistance to barangays within their regional jurisdiction. For this purpose, their duties and responsibilities are as follows:

- a. Facilitate the implementation of national government programs and projects in the barangays within the region;
- b. Provide technical assistance and capacity-building programs to barangay officials and workers to enhance their skills and knowledge in governance, administration, and community development;
- c. Conduct research, surveys, and studies to identify the needs and concerns of the barangays and their residents, and develop appropriate policies and programs to address them;
- d. Coordinate with other government agencies, non-governmental organizations, and other stakeholders to ensure the effective and efficient delivery of services to the barangays;
- e. In coordination with relevant offices, monitor and evaluate the performance of barangay officials and workers and providing feedback and recommendations for improvement;

- 1 f. Provide support and assistance to barangays in times of emergencies and
2 disasters, including natural calamities, conflicts, and other crises;
3
4 g. Promote the empowerment and participation of barangay residents,
5 particularly women, youth, and marginalized groups, in governance and
6 development processes;
7
8 h. Assist in the resolution of conflicts and disputes within and among
9 barangays and facilitate the peaceful settlement of issues and concerns;
10 and
11
12 i. Perform such other related duties and responsibilities as may be
13 assigned or delegated by the Commission.
14

15 **Sec. 16. Regional Director.** – The regional office shall be headed by a regional
16 director who shall be responsible for efficiently and effectively carrying out the duties
17 and responsibilities of the regional office. The regional director shall, within the
18 defined powers, exercise functional and administrative supervision over barangays
19 within the region.
20

21 The Regional Director shall also perform such other related duties and
22 responsibilities as may be assigned or delegated by the Commission or as may be
23 required by law. The regional director shall be assisted by one (1) assistant regional
24 director who shall exercise supervision in the planning, evaluation, and technical
25 assistance functions of the regional office.
26

27 **Sec. 17. Barangay Development Fund; Sources.** – There is hereby created a
28 Barangay Development Fund (BDF), which shall be administered by the Commission
29 for the accelerated development of all barangays and implementation of the programs,
30 projects and activities under the Barangay Development Master Plan provided under
31 Section 18 of this Act. The BDF shall be sourced from the following:
32

- 33 a. Three percent (3%) of the provinces' share on National Tax Allotment
34 (NTA) under Republic Act No. 7160 or the Local Government Code of
35 1991, as amended (LGC);
36
37 b. Three percent (3%) of the cities' share on NTA under the LGC;
38
39 c. Four percent (4%) of the municipalities' share on NTA under the LGC;
40 and

- 1 d. Donations, grants, and endowments from private individuals,
2 organizations and corporations.
3

4 **Sec. 18. *Barangay Development Master Plan.*** – The Commission shall, in
5 coordination with the Department of Economy, Planning, and Development
6 (DEPDev) and other concerned government agencies and stakeholders, formulate a
7 Barangay Development Master Plan. The Master Plan shall include:
8

- 9 a. Priority listing of barangays that require immediate social and economic
10 development;
11
12 b. Common and specific program for all barangays;
13
14 c. Utilization of the BDF that includes the following, in coordination with
15 relevant government agencies:
16
17 i. Construction and maintenance of barangay infrastructure, such as
18 roads, bridges, health centers, and schools;
19
20 ii. Livelihood and employment programs for the residents of the
21 barangay;
22
23 iii. Promotion of economic development by supporting small
24 businesses and attracting investment;
25
26 iv. Improvement of access to education and equality of learning
27 opportunities for residents of the barangay;
28
29 v. Environmental protection and conservation projects;
30
31 vi. Disaster preparedness and mitigation programs;
32
33 vii. Health and sanitation programs;
34
35 viii. Subsidies to poor barangays for the honoraria of barangay
36 officials and employees; and
37
38 ix. Any other projects and programs that promote the development
39 of the barangay;
40

1
2 d. Oversight, audit, and accountability functions of the Commission,
3 DILG, and the barangays; and
4

5 e. Other components of the program may be determined by the
6 Commission, DILG and DEPED.
7

8 **Sec. 19. *Management, Administration, and Audit.*** – The Commission shall,
9 through the Executive Director, oversee the management and administration of the
10 BDF, establish guidelines and procedures for the allocation, disbursement, and
11 monitoring of funds, and ensure that the funds are utilized for their intended purposes.
12

13 The management and administration of the BDF, including its allocation and
14 disbursement, shall be subject to relevant accounting and auditing rules and
15 regulations of the Commission on Audit (COA).
16

17 **Sec. 20. *Annual Report.*** – The Commission shall submit an annual report to the
18 President of the Philippines and Congress of the Philippines on the status of the BDF,
19 including the amount of funds collected and disbursed and the projects and programs
20 implemented.
21

22 **Sec. 21. *Interface with Other Sector Regulators.*** – DILG shall continue to
23 assist the President of the Philippines in the exercise of general supervision and
24 establishment of rules, regulations and other issuances implementing the LGC and
25 promotion of local autonomy, community empowerment and monitor compliance over
26 provinces, cities and municipalities, while the Commission shall exercise such general
27 supervision and establishment of rules and regulations implementing the LGC and
28 promotion of local autonomy, community empowerment and monitor compliance over
29 the barangays.
30

31 **Sec. 22. *Transfer of Rights and Obligations.*** – The Commission shall, by virtue
32 of this Act, be subrogated to all the rights, and assume all the obligations of the
33 relevant parts of any government agency or unit whose powers and functions have
34 been transferred to the Commission.
35

36 The transfer of powers and functions as indicated in the preceding paragraph,
37 as applicable and as herein provided for, shall take effect within one hundred eighty
38 (180) days after the effectivity of this Act. The foregoing transfer of powers and
39 functions shall include all applicable funds, personnel, records, property, and

1 equipment, as may be necessary. All offices shall continue to function under their
2 present mandates until transition is effected as provided for under this Act.

3 All rights and obligations of affected government agencies are hereby
4 transferred to and assumed by the Commission and shall be acted upon in accordance
5 with the rules and regulations of COA and other pertinent laws, rules, and regulations.
6

7 **Sec. 23. *Separation from Service.*** – Employees separated from government
8 service as a result of this Act shall, within one (1) month from their separation from
9 the service, receive the benefits to which they may be entitled under existing laws,
10 rules, and regulations.
11

12 **Sec. 24. *Appropriations.*** – The amount necessary for the organization of the
13 Commission and its initial operations shall be charged against the current
14 appropriations of the Contingent Fund. Thereafter, such sums as necessary to fully
15 carry out the objectives, powers, and functions of the Commission shall be included in
16 the annual General Appropriations Act.
17

18 The Commission shall include in its annual budget detailed information on the
19 compensation and benefits received by their employees.
20

21 **Sec. 25. *Periodic Performance Evaluation.*** – The Commission is hereby
22 required to formulate and enforce a system of measuring and evaluating periodically
23 and objectively the performance of the Commission and submit the same annually to
24 the President.
25

26 **Sec. 26. *Implementing Rules and Regulations.*** – Within one hundred twenty
27 (120) days from the effectivity of this Act, the Commission shall, in coordination with
28 the Department of Budget and Management, DEPDev, and the Civil Service
29 Commission, and in consultation with other relevant government agencies,
30 promulgate the necessary rules and regulations to effectively implement the provisions
31 of this Act.
32

33 **Sec. 27. *Separability Clause.*** – If any provision or part of this Act is declared
34 invalid or unconstitutional, the remaining parts not affected shall remain in full force
35 and effect.
36

37 **Sec. 28. *Repealing Clause.*** – The provisions of the LGC which are inconsistent
38 with this Act are hereby amended or modified accordingly. All laws, presidential
39 decrees, executive orders, letters of instructions, administrative orders, proclamations

1 or administrative regulations that are inconsistent with the provisions of this Act are
2 hereby repealed, amended, or modified accordingly.

3
4 ***Sec. 29. Effectivity.*** – This Act shall take effect fifteen (15) days after its
5 publication in the Official Gazette or in a newspaper of general circulation.

6
7 Approved,