

New leaders, continuing challenges: Financing, Accountability, and Prospects for Barangay Governance

Working Paper (16 May 2018)

Author: Czarina Medina-Guce¹
Co-authors: Ana Martha Galindes² & Valeene Salanga³

Abstract

New set of elected leaders, but old sets of problems. What are lingering issues in barangay governance? How can barangays, as the smallest unit of government, become more effective in performing its designated functions? This working paper approaches these questions in two levels. First, this paper discusses the continuing issues in barangay government financing, covering the inequities in the distribution of barangay IRA, and the challenges in creation and subsequent funding of barangays. And second, this analysis looks into issues of accountability of barangay officials and provides initial recommendations for policies that target structural and behavioral changes. As a concluding note, the paper situates the barangay governance issues into the greater decentralization and devolution issues confronting local governance today.



Creative Commons Attribution 4.0 International (CC BY 4.0)
2018 Institute for Leadership, Empowerment, and Democracy (iLEAD)
Some rights reserved. Published on May 16, 2018.

Any views expressed by the authors in this paper do not imply endorsement nor necessarily reflect the views of the Institute, or its Board of Trustees. This work is available under the Creative Attributions 4.0 license (CC BY 4.0) <https://creativecommons.org/licenses/by/4.0/>. By using the content of this publication, you agree to be bound by the terms of this license.



The Institute for Leadership, Empowerment, and Democracy, Inc. (iLEAD) is a non-stock, non-profit think tank consultancy and resource center that focuses on strategic policy work to strengthen democratic institutions.

Address: Unit 604 FSS Building II, 18 Scout Tuazon corner Scout Castor, Barangay Laging Handa, Quezon City
Email: ileadhq@ilead.ph
Website: <http://ilead.ph>
Facebook: <https://web.facebook.com/iLEADPh/>
Twitter: [@iLEAD_PH](https://twitter.com/iLEAD_PH)
Landline: (+632) 374 1580

Introduction

After two postponements⁴, the barangay elections pushed through on May 14, 2018, ushering a new set of elected leaders. However, beyond the promises made and the prospects of change under leadership, the same old challenges continue to bear on barangays that raise the question of effectiveness of the smallest unit of government.

Local government units (LGUs) have been accorded decentralized and devolved functions⁵ by the 1991 Local Government Code (LGC, or the Code). Section 17 of the Code mandates LGUs to be “self-reliant”, and to exercise the powers, duties and functions vested upon them. For the barangays, the Code specified the following:

1. Agricultural support services which include planting materials distribution system and operation of farm produce collection and buying stations;
2. Health and social welfare services which include maintenance of barangay health center and day-care center;
3. Services and facilities related to general hygiene and sanitation, beautification, and solid waste collections;
4. Maintenance of *katarungang pambarangay*;
5. Maintenance of barangay roads and bridges and water supply systems;
6. Infrastructure facilities such as multi-purpose hall, multi-purpose pavement, plaza, sports center, and other similar facilities;
7. Information and reading center; and,
8. Satellite or public market, where viable.

If treated as a checklist, it is rather intuitive to say that barangays are largely unable to deliver these functions completely for their constituents, and are still dependent on the support of their provinces, municipalities and cities to provide for these services.

What are lingering issues in barangay governance? How can barangays, as the smallest unit of government, become more effective in performing its designated functions? This working paper approaches these questions in two levels. First, this paper discusses the continuing issues in barangay government financing, covering the inequities in the distribution of barangay IRA, and the challenges in creation and subsequent funding of barangays. And second, this analysis looks into issues of accountability of barangay officials and provides initial recommendations for policies that target structural and behavioral changes. As a concluding note, the paper situates the barangay governance issues into the greater decentralization and devolution issues confronting local governance today.

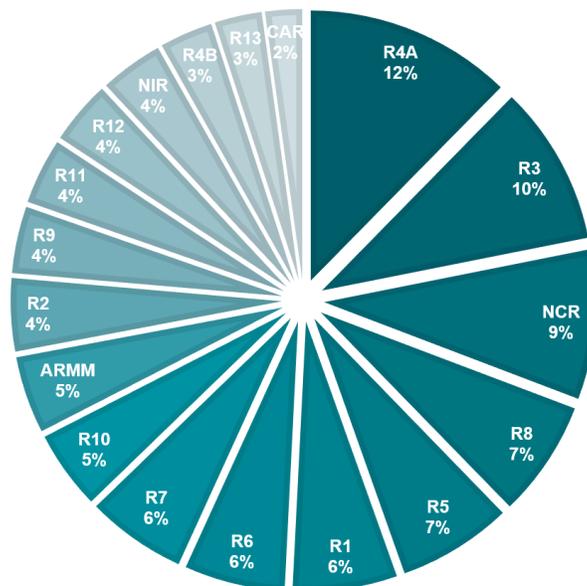
[1] Continuing Issues in Barangay Government Financing

Based on a 2010 discussion paper released by the Philippine Institute for Development Studies⁶, barangay financing issues are summarized as follows, with the authors' additional annotations:

- There is a mismatch between financial capabilities and devolved functions owing to limited funds being spent mostly on personal services (*or manpower and staffing*);⁷
- Different priorities of barangays mean different utilization of their Barangay Development Fund, with some of them failing to spend on important basic services such as education and health, as well as on economic development sector;
- Most barangays are dependent on their Internal Revenue Allotment (IRA), or the automatic appropriation of national funds to LGUs;
- Barangays are not addressing the misalignment of revenue and expenditure assignment, as well as counter-equalizing and disincentive effects of IRA, by not raising enough own-source revenues in their localities and optimizing their use of corporate powers.

These financing issues continue to hold, as we look into the distribution of IRA for barangays in 2017. Data from the Department of Budget and Management (DBM) shows that the 42,000 barangays in the Philippines received an IRA of Php 96.082 Billion in 2017 (henceforth referred to as 'barangay IRA' to distinguish the allocation to barangays versus the total IRA to all LGUs). The barangay IRA is broken down as follows among the regions:

Diagram 1. Distribution of Barangay IRA per region (in percent), FY 2017
(Data from DBM; Authors' representation)



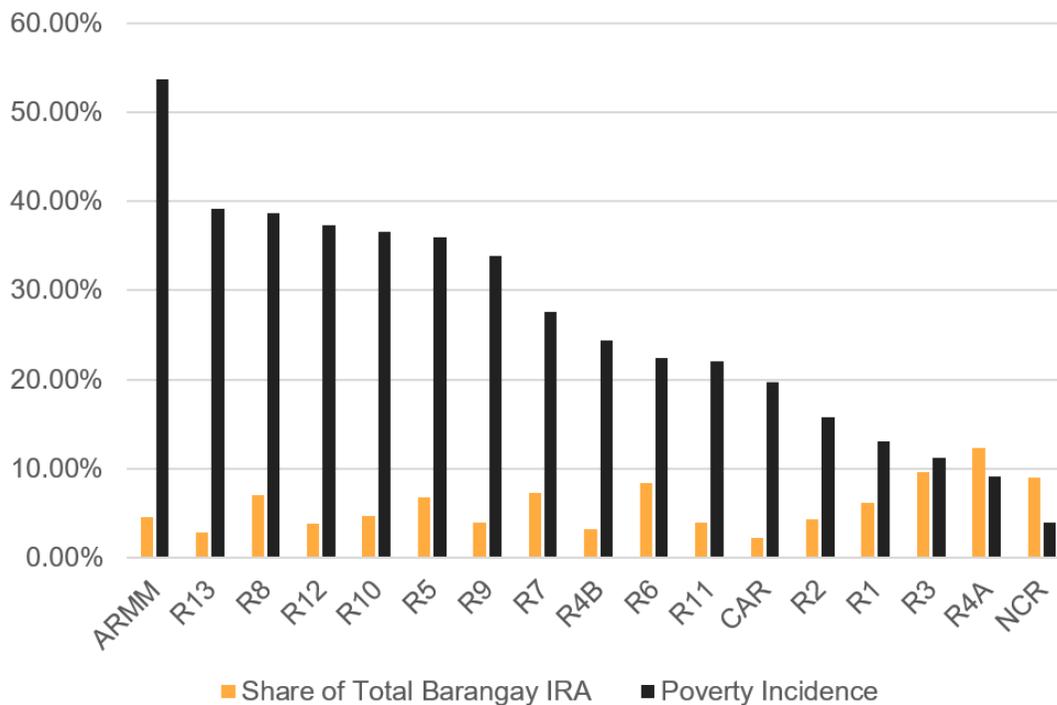
What the data does not show is the own-sourced income of the barangays which are collected and utilized on top of the IRA the barangays receive, and additional allocations that the barangays may receive from their oversight city/municipalities and provinces. Aside from these sources, the barangays can also generate its own income through the following modalities, shown in Table 1.

Table 1. Sources of Income and other Collections of Barangays

Source of Income	Description
Barangay fees and taxes	<p>[1] Taxes from stores or retailers with fixed business establishments at the rate not exceeding one percent on the following prescribed gross sales or receipts:</p> <ul style="list-style-type: none"> ● PhP50,000 or less in cities in the preceding year ● PhP30,000 or less in municipalities in the preceding <p>[2] Fees imposed on:</p> <ul style="list-style-type: none"> ● Use of barangay properties and facilities; ● Peddlers ● Breeding of fighting cocks ● Use of barangay roads, waterways, bridges, and parks ● Parking ● Clearance/certification <p>[3] Fines/penalties for violation of barangay ordinances (not exceeding Php 1,000)</p>
Shares from national and local revenues	<p>[1] Shares on the following:</p> <ul style="list-style-type: none"> ● Real Property Tax (RPT) collections including interest and penalties, if imposed: <ul style="list-style-type: none"> ○ From provinces - 25 percent ○ From cities/municipalities within Metro Manila - 30 percent ● Community Tax collections when collected by the barangay ● Development and utilization of the national wealth (lands of public domain, water, mineral, coal, petroleum, mining, oil, etc.) ● Proceeds of taxes imposed on sand, gravel, and other quarry sources ● Tobacco excise tax <p>[2] Barangays are also entitled to a mandatory financial aid of not less than Php 1,000 from their parent LGUs (provincial/city/municipal)</p>
Other fees and charges	<p>Fees imposed on:</p> <ul style="list-style-type: none"> ● Commercial breeding of fighting cocks and on cockpits and cockfights ● Places of recreation with admission fees ● Billboards, sign boards, neon signs and other outdoor advertisements ● Use of any public road, pier or wharf, waterway, bridge, ferry, or telecommunications system funded and constructed by the barangay; ● Operation of public utilities and barangay enterprises (markets, slaughterhouses, etc.); ● Fundraising activities
Other receipts	<p>[1] Grants, donations, aids from any public or private entity. [2] Dividend/interest from investments [3] Sale of plant, property, or equipment as well as proceeds from loans and other indebtedness</p>

While barangay financial management is mostly guided by general accounting instructions of the Commission of Audit (COA), there is no complete data on their financial records mainly because of the lack of legal mandate on the part of national agencies. The Code only mandated for the barangay financial records to be kept in the office of the city or municipal accountant. Efforts to collect these data at national level, however, are being initiated by the Department of Finance - Bureau of Local Government Financing (DOF-BLGF), which, as of writing, is finalizing a joint memorandum with the Department of Interior and Local Government (DILG) to mandate the local accountants to submit data in their centralized database. However, to illustrate the problem with the Barangay IRA allocation, the following comparison can be provided:

**Diagram 2. Regional Poverty Incidence (PSA, 2015)
vis-a-vis Share of Total Barangay IRA in 2017**



The computation of IRA, as espoused in the LGC, has long been subjected to scrutiny because it is deemed as a tool of inequity among localities⁸. Regions that have greater capacity to generate their own income and/or are more developed, tend to attract larger populations to flock in and settle. But because IRA is computed with population as a criteria (together with territory and equal sharing), high-population density and more developed localities tend to receive higher shares compared to poorer areas.

This is reflected even more with the barangays, who receive 20 percent of the total IRA allocated for LGUs every year. This 20 percent is divided among all barangays based on population (60 percent) and equal sharing (40 percent). What lacks in the formula is a criteria that will respond

to the uneven local development and fiscal capacities of the barangays across the country. This is a straightforward illustration as to how more developed, more financially-viable barangays (and localities in general) are able to provide more services compared to the less developed barangays and localities whose service-delivery baselines are even lower and cater to a much poorer population.

The tables as follows show the 15 barangays with highest and lowest IRA allocations in 2017, as per DBM data:

Table 2. Top 15 Barangays with Highest IRA in 2017 (Data from DBM)

RANK	REGION	PROVINCE	CITY/MUNICIPALITY	BARANGAY	AMOUNT IN PHP
1	NCR		Kalookan City	Barangay 176	137,960,478
2	NCR		Quezon City	Commonwealth	111,157,788
3	NCR		Quezon City	Batasan Hills	90,664,817
4	NCR		City of Pasig	Pinagbuhatan	85,424,315
5	NCR		Quezon City	Payatas	73,395,059
6	Region 4A	Rizal	Mun. of Rodriguez	San Jose	70,358,014
7	Region 4A	Rizal	Mun. of Rodriguez	San Isidro	66,139,493
8	NCR		City of Muntinlupa	Poblacion	65,089,170
9	Region 4A	Rizal	Antipolo City	Cupang	64,103,311
10	NCR		Quezon City	Holy Spirit	62,343,881
11	NCR		Kalookan City	Barangay 178	60,759,505
12	Region 3	Bulacan	San Del Monte City	Muzon	60,207,669
13	Region 4A	Rizal	Mun. of Tatay	San Juan	58,395,999
14	NCR		Quezon City	Pasong Tamo	58,260,959
15	Region 4A	Rizal	Antipolo City	San Jose (Pob.)	58,233,728

Table 3. Top 15 Barangays with Lowest IRA in 2017 (Data from DBM)

RANK	REGION	PROVINCE	CITY/MUNICIPALITY	BARANGAY	AMOUNT IN PHP
1	Region 8	Southern Leyte	Mun. of St. Bernard	Bantawon	885,554
2	Region 8	Southern Leyte	Mun. of St. Bernard	Kauswagan	855,554
3	Region 7	Bohol	Mun. Of Inabanga	Riverside	885,554
4	Region 6	Iloilo	Mun. of Banate	Fuentes	885,554
5	Region 4B	Palawan	Mun. of Roxas	Barangay V Pob. (Porao Island)	885,554
6	Region 2	Isabela	Mun. of Sto. Tomas	Uauang-Galicia	885,554
7	NCR		City of Manila	Barangay 99	885,554
8	NCR		Kalookan City	Barangay 72	885,554
9	NCR		Kalookan City	Barangay 76	887,221
10	Region 8	Southern Leyte	Mun. of St. Bernard	Guinsaugon	888,888
11	Region 10	Misamis Oriental	Mun. of Villanueva	Tambobong	888,889
12	Region 8	Leyte	Mun. of Dagami	Salvation	890,000
13	Region 2	Cagayan	Mun. of Appari	Centro 15 (Pob.)	892,222
14	Region 8	Southern Leyte	Mun. of Bontoc	Hibagwan	893,890
15	NCR		City of Manila	Barangay 653	896,668

Aside from the impact on service delivery capacity, the effect of the IRA computation and distribution among the 42,000 barangays can also be seen on these related problems:

- Indebtedness of barangays.** As most barangays remain IRA-dependent with limited income-generating capacities, many of them seek to borrow and loan funds from financial institutions to augment financial needs. As with all other LGUs, barangays are authorized by the Code to contract loans, credits, and other forms of indebtedness with any financial institution, subject to their requirements and guidelines. As much as it is considered as an integral part of local autonomy, barangay borrowing can be problematic as it lacks accountability check in terms of paying capacity and alignment with local priorities. One of the existing monitoring mechanisms in place is the issuance of certificates on debt service ceilings and borrowing capacity of barangays by the BLGF. Beyond this, however, there is no other measure to ensure that barangays have the capacity to pay back loans and continue payments even with the periodic change of barangay executives and appointees.

On this, one of the main campaigns of the DOF-BLGF⁹ is on credit financing that promotes responsible borrowing among LGUs to enable them to borrow funding based on their capacity to pay and actual needs of the localities. BLGF conducts cluster trainings of LGU integrated financial tools which include trainings on certification for net debt service, creditworthiness, and financial indicators among others. BLGF also recommends that there should be income alignment as income generating capacity is not included in the requisites for barangay creation.

- ***Patron-client relationship of barangay leaders with politicians of higher ranks (mayors, governors, congress representatives)***. Because barangays have less to work with for service delivery, barangay officials tend to affiliate themselves with higher-level elected officials with whom relationships are considered political investment for higher allocations from the municipal, city, provincial, or congress budgets. Stories of barangays benefiting from additional programs and infrastructure because the barangay captain is 'allied' with a mayor is commonplace. And the contrary scenario of barangays being "left out" of city or municipal programs because the captain is not allied with the mayor is equally commonplace. However, this patron-client relationship is often precedent to occurrences of graft and corruption, and undue advantages given to informal alliances if not approached with evidence-based policy making.

The policy response to this is an outright amendment to the Local Government Code, to rethink about the IRA computation and distribution to allow it to become a tool for equity. The many proposals at hand¹⁰ recommend an equalization principle into the IRA recomputation, wherein those LGUs who are better able to generate its own resources should be able to receive greater amounts of IRA. While barangays can also be capacitated to maximize their income-generating powers, the probability of barangays building infrastructure and technical capacity on their own is weaker compared to if, for instance, the income-generation efforts are done at the level of the municipalities/cities and provinces.

Meanwhile, this paper does not cover what may be improved in terms of planning, budget allocation, and quality of prioritization that barangay LGUs can do. There is growing literature and documentation of practices that show that even with small budgets, barangays can make a difference in the lives of their constituents, especially when the people themselves are involved in the decision-making process. These can be done through meaningful platforms of citizen participation (such as barangay assemblies, councils, and issue-specific working groups), and models arising from programs of civil society organizations. This is to acknowledge the fact that higher and equitable distribution of IRA does not necessarily and automatically translate to better governance and improved service delivery in the barangays (or all LGUs for that matter).

Issue of Barangay Creation: Who makes it, funds it

There is another unresolved issue when it comes to barangay LGU financing, which stems from whether or not locally-created barangays receive their share from the IRA from the national revenue collection.

The creation of barangays can be done in two ways: (a) by an act of Congress, or (b) by an act of Sangguniang Panlalawigan or Sangguniang Panlungsod, which the LGC allows. The barangays created by Sanggunian after the implementation of the Code derive its income from the LGUs that created them, making them ineligible of shares in the annual IRA allocation. This subsequently generates a problem when the local government responsible for its creation can not provide sufficient financial support for the barangay to discharge its functions.

Why do provinces, cities, or municipalities create their own barangays? A pragmatic take is to look at the capacity of barangays vis-a-vis the population they serve. The Code mandates that should provinces, cities, or municipalities create new barangays, the population of both the new barangay and the one it is separating from should not be less than 2000 (or 5000 for Metro Manila or highly urbanized areas). The theory behind this is that the barangay system should be able to cater to a manageable size of the population. And yet, this theory only stands if the barangays will have the financial, manpower, and technical resources to deliver the services in the first place.

A less pragmatic, more political take is that creating more barangays allows for more efficient organization of political machinery that helps politicians mobilize and execute electoral campaigns. As the Philippines does not have strong, mature, and organized political parties, LGUs alliances serve as the next best alternative to a political machinery. Therefore, politicians' control over new barangays – in both creation and provision of resources – enables control over “*balwarte*” or bastions for political organizing.

Bills have been filed in Congress seeking to address this barangay creation and financing problem by granting IRA to the locally-created barangays and/or to vest the Congress the sole authority to create barangays.¹¹ However, these proposals are not gathering enough attention and prioritization in Congress to project when the creation and financing problem can be resolved.

[2] Abuses and Accountability

Another issue with barangay governance is the sheer number of barangays in the Philippines. The PSA data of 2015 places the total number of barangays at 42,036, while DBM's data on the IRA computation for 2017 counts the total number of barangays at 41,889; the variance may be from the locally-created barangays without IRA allocation noted in the previous section. Nonetheless, each of these approximately 42,000 barangays are given a level of self-autonomy, but the oversight of the performance of the barangays as LGUs, and the barangay officials themselves continue to be challenging for national government agencies. Therefore, there is much room for maneuvering in the barangay level, which opens opportunities for abuses by barangay officials. And when there are abuses in power and lapses in accountability, whether by administrative or criminal deeds, public service delivery always suffers.

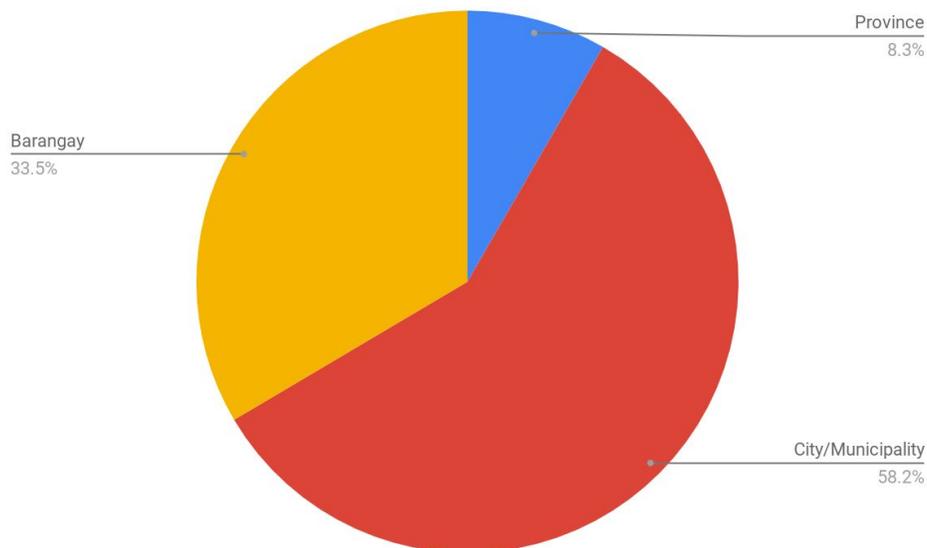
Per barangay, constituents vote in their barangay captain and barangay councilors as elected officials. The barangay captain, in turn, appoints the following positions upon concurrence of the barangay Sanggunian, as indicated by the Code:

- *Barangay secretary*, who keeps records in the barangay, and meetings and decisions of the Sanggunian. The secretary all keeps an updated record of all inhabitants of the barangay and assist the municipal civil registrar in the registration of births, deaths, and marriages.
- *Barangay treasurer*, who keeps custody of the funds and properties of the barangay, collects and deposits funds in the barangay treasury, and make appropriate accounting reports. The treasurer is also responsible for disbursing funds, and collecting and issuing of official receipts for all resources of the barangay treasury.

Both appointees must not be government officials, or related to the barangay captain within fourth level of consanguinity or affinity. These appointments are not subject to attestation of the Civil Service Commission (CSC).

However, these elected posts and the subsequent appointments, as with any public office, is held on an assumption of public trust. And trust that can be broken. Office of the Ombudsman 2017 data shows that LGUs top the list of government agencies with the most number of cases filed against its officials/employees, with 3,189 cases. The cases are broken down per LGU level (Diagram 3 with the barangay cases at 33.5 percent), and per case type (Table 4 showing the case breakdown per barangay captain and barangay councilor).

**Diagram 3. Ombudsman Cases Filed against LGU Officials/Employees, 2017
(Data from Office of the Ombudsman, Received April 2018)**

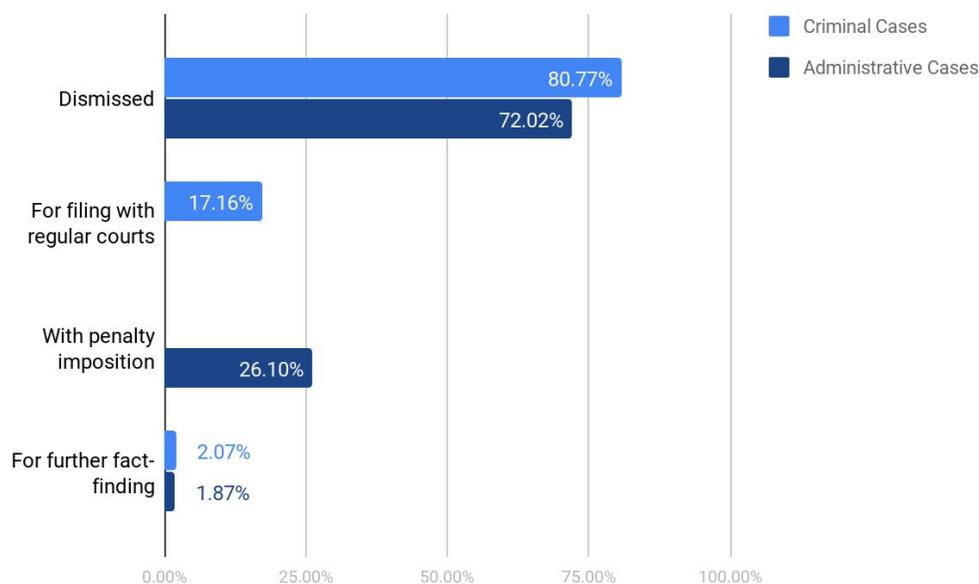


**Table 4. Statistics on Cases Filed Against Local Elective Officials, 2017
(Data from the Office of the Ombudsman, Received April 2018)**

Elective Local Officials	Administrative Cases		Criminal Cases		Forfeiture Cases		Fact-Finding Cases	
	New	Acted Upon	New	Acted Upon	New	Acted Upon	New	Acted Upon
Barangay Chairman/Captain	443	388	395	337	0	0	395	407
Barangay Councilor/Kagawad	216	176	193	171	0	0	131	146

The Ombudsman data also indicates that 676 criminal cases and 747 administrative cases involving barangay officials and employees that have been disposed during 2017, of which results are outlined in Diagram 4.

Diagram 4. Results of Criminal and Administrative Cases against Barangay Officials, Disposed during 2017 by the Office of the Ombudsman (Data from Office of the Ombudsman, Received April 2018)



While most cases are dismissed, these issues of negligence, corruption, and inability to deliver mandates is a matter of concern, especially at the level of barangays that are supposed to be the closest unit of government to the people. But why are preventive and punitive measures against abuse and corruption in barangay LGUs weak in the first place?

- Compensation of barangay officials does not necessarily lay the groundwork for a professional engagement. **In fact, barangay officials - including tanods and members of the Lupong Tagapamayapa - receive only honoraria and allowances, and their honoraria is dependent on the availability of funds of the barangay itself.** The Code mandates that the honoraria be not less than Php 1,000 per month for the barangay captain, and not less than Php 600 per month for the Sangguniang Barangay members (councilors), treasurer, and secretary.

Therefore, being elected as a barangay official or being appointed as barangay secretary or treasurer is barely an occupation that can make for a sustainable source of income for those who dedicate their time and efforts for a wide range of needs and services needed to be provided in communities. One occupies the posts as a matter of deep public service (the hopeful view), or as a matter of a pathway towards accessing more benefits, perks, and privileges within the political landscape (the critical view). Either way, the fact that there is no law that professionalizes compensation exposes barangay officials in a position of vulnerability to corruption.

- Even with the number of cases filed in the Office of the Ombudsman against barangay officials, resolution to these cases takes many, many years. **The Office of the Ombudsman, as per interviews¹², is undermanned when it comes to responding to all the cases filed against all government officials, not only with LGU officials.** The staffing capacity of the Ombudsman merits support to address the effectiveness and efficiency of punitive measures against erring government officials. If cases can be handled and resolved sooner, the message becomes stronger that government officials (even citizens and private sector individuals) should do more than a second thought when committing acts of corruption or neglecting to perform their sworn duties.

An recommendation to prevent abuses in barangay governments on the institutional level is to tie fiscal incentives to performance indicators, especially on administrative matters. On this, the only program that resembles a performance metrics is the DILG's Barangay Governance Performance Management System (BGPMS)¹³. This program runs a self-assessed, survey tool for barangays to identify their performance gaps in administration, social services, economic development, and environmental management. However, as of writing, there are no clear fiscal incentives to the BGPMS results, which, in theory, could shape behavior of barangay officials to become more results-oriented in governance. As far as the BGPMS assessment goes to date, it seems more of measurement for measurement's sake, and, by design, does not address structural and behavioral variables in barangay governance through significant rewards or incentives.

Meanwhile, corruption is not just a systemic problem; corruption is also "contingent behavior", which means it is more likely to happen when actors (in government, citizenry, and private sectors) assume that 'everybody else' will do it anyway¹⁴. **This means that the punitive measures on erring individuals in barangays must be more efficient and effective, and the conditions for corrupt behavior need to be molded through effective policy.** This is where professionalization of appointments, and compensation and benefits for elected and appointed barangay officials may be considered, and more efficient citizen reporting platforms to Ombudsman or COA can be of benefit. While these may be challenging to implement for 42,000 barangays, reform has to start somewhere. And hopefully, sometime soon.

[3] Concluding Notes: Only A Piece of the Puzzle

These issues bearing on financing and accountability in barangay governance comprise only a small fraction of all amendments that need to be addressed in policy and practice. But these barangay governance issues have had bills trying to address them. In the 17th Congress, there are six bills filed in the Lower House¹⁵ that focus on reforms on barangay financial empowerment and capacity building. Meanwhile, there are another six bills filed in the Lower House¹⁶ on changes on the term of office of barangay officials. However, these bills are just in

the list, and that list that is even longer when all the bills from previous Congresses are accounted for. These have not progressed for legislation for many, many years.

But these are important issues to reassert as decentralization and devolution issues are considered critical at this point, when the prospect of having a federal form of government is within the horizon. On this, we can assert that any change in determining distribution of powers and resources on the national and regional (federal) levels need first to take these current issues in the barangays (and local governments in general) head on. Structural change does not necessarily translate into solutions to problems that have existed, and persisted, for nearly 27 years since the implementation of the Local Government Code. The IRA dependence of the barangays remains and will likely persist without a carrot-and-stick solution to performance, and without amendments to the Code.

Until that point, citizens will have to find out, and hopefully more vigilantly observe, if their newly-elected barangay officials will make do with their promises, and try to innovate solutions to the institutional capacity limitations of barangays. And equally important is that citizens will have to determine if their new barangay officials will only strengthen political machineries and be in the service of more powerful personalities and groups, or if these barangay officials will truly serve the people who elected them.

ENDNOTES

1 The author, **Czarina Medina-Guce, M.A.**, is a sociologist working on public policy, governance, and development issues, particularly on subnational/local governance, transparency, accountability, participation, and anti-corruption. Her current affiliations include the Institute for Leadership, Empowerment, and Democracy as Executive Director; the Development Studies Program of the Ateneo de Manila University as part-time faculty; and The Asia Foundation headquarters in San Francisco USA as Term Member of the Board of Trustees. She is alumna of the inaugural batch of the Asia Foundation Development Fellows in 2014. She also provides inputs as consultant and specialist to organizations such as the United Nations Development Programme in the Philippines, Department of Interior and Local Government, and other non-profit organizations. She has published articles in international and local academic journals, and has co-written and co-edited several publications.

2 Co-author **Ana Martha Galindes** is Communication and Partnerships Associate of iLEAD. She has done research and policy work for government and non-government institutions in areas of local governance, public policy, and development. She worked as Development Management Officer of the Department of Interior and Local Government for the Conditional Matching Grant for Provinces Program, and Policy Officer of the Union of Local Authorities of the Philippines. She also served in managerial positions for various local development organizations.

3 Co-author **Valeene Salanga** is Senior Research Associate of iLEAD. She earned her degree of Bachelor of Arts in International Studies Major in International Politics from Miriam College. She is currently taking up her master's degree in international studies in the same institution. Her research interests include international relations, peace and security studies, geopolitics, and diplomacy.

4 The barangay elections of 2018 was first postponed on October 15, 2016 "to avoid election fatigue after the June 2016 Presidential elections". It was again postponed on October 2, 2017 due to alleged involvement in drug trafficking of 40 percent of barangay captains nationwide.

5 Devolved functions of LGUs include agriculture, health, and social welfare services while Section 17 of the Code provides the basic services and facilities that all LGUs should provide in their respective localities. Some of these functions are agricultural extension, community based forestry, field health and hospital services, public works, school building program, social welfare services, tourism, telecommunications, housing, and others like investment support.

- 6** Refer to: Layug, A., Pantig, I., Bolong, L., Lavado, R. (2010 February). *Do Barangays Really Matter In Local Services Delivery? Some Issues and Policy Options*. Quezon City: Philippine Institute for Development Studies, retrieved from <https://www.pids.gov.ph/publications/4554>
- 7** It must be noted that aside from the elected and appointed barangay officials, the barangay LGU also provides for the honoraria/allowances of Barangay Health Workers, barangay tanods, day care workers, and other volunteers.
- 8** Refer to: Manasan R.G. (December 2007). IRA design issues and challenges. *Philippine Institute of Development Studies Policy Notes, No. 2007-09*.
- 9** Data based on interview with DOF-BLGF OIC Director for Local Fiscal Policy Service Ma. Pamela Quizon dated April 24, 2018.
- 10** Kabayan party-list lawmakers Ciriaco Calalang and Ron Salo aim to introduce House Bill No. 7493 or the "Barangay Equalization Fund" seeks to include in the annual General Appropriations Act a fund for every barangay on top of the IRA share they receive from the national government. The Asian Development Bank in *Philippines: Designing a Local Government Enhancement Fund* proposed some measures to advance a more equitable distribution of funds through two main requirements: (i) an improved measurement or approximation of the expenditure needs of each LGU, and (ii) the incorporation of some measurement (or approximation) of the fiscal capacity of each LGU. PIDS in *IRA design issues and challenges* recommends a greater tax decentralization by assigning more tax bases to LGUs and the subsequent redesign of intergovernmental transfers to help close the disparities in the fiscal capacities of LGUs.
- 11** House Bill 65, filed by del Rosario, A. G. (2013) "An Act Removing Authority of the Sangguniang Panlalawigan and Sangguniang Panglunsod to Create Barangays and Granting Internal Revenue Allotments to Barangays Created by said Local Sanggunians, Amending for the Purpose Sections 6 and 285 of RA No. 7160, As Amended,;" Senate Bill 2190, filed by Marcos, F. (2014) "An Act Vesting Upon Congress the Sole Power to Create Barangays, Amending for this Purpose Sections 6, 285, and 385 of RA 7160,, and for Other Purposes" (16th Congress)
- 12** Series of interviews in January 2018
- 13** Data on BGPMS can be accessed via the eBGPMS website: <http://server.ebgpms.net/>
- 14** Refer to: Fisman, R., & Golden, M. (2017). *Corruption: What Everyone Needs to Know*. Oxford University Press.
- 15** Refer to HB00248, HB00298, HB00503, HB01391, HB02378, HB02541
- 16** Refer to HB00297, HB00331, HB01627, HB01958, HB03158, HB03197