



NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )

'22 AUG 11 P5:14

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SENATE

S. B. NO. 1137

Introduced by **SENATOR JOEL VILLANUEVA**

**AN ACT INSTITUTIONALIZING THE  
CONDITIONAL MATCHING GRANT TO PROVINCES (CMGP)  
FOR ROAD AND BRIDGE REPAIR, REHABILITATION, AND  
IMPROVEMENT, PROVIDING FUNDS THEREFOR, AND  
FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

As of 2019, the total Philippine road network is 233,564.5 kilometers, 20.8% or 48,624 kilometers are national roads, while 79.2% or 184,940.5 kilometers are local roads. Out of the local roads, core roads – those that link the majority of the population to establishments providing basic services and other facilities within a province – cover 12,040.7 kilometers.<sup>1</sup>

However, according to the World Economic Forum Global Competitiveness Report for 2018<sup>2</sup> and 2019,<sup>3</sup> the Philippines scored 3.5 and 3.7, respectively, for quality of roads, and ranked 88<sup>th</sup> out of 141 countries in both years. World Bank's review of road transport and other infrastructure in Asia and the Pacific, including the Philippines, noted that "more than one in four roads in the Philippines has a poor surface condition, largely attributable to underinvestment and lack of maintenance, especially in rural areas."<sup>4</sup>

<sup>1</sup> Congressional Policy and Budget Research Department, Facts and Figures: Conditional Matching Grant to Provinces (CMGP), November 2019, accessible at [https://cpbrd.congress.gov.ph/images/PDF%20Attachments/Facts%20in%20Figures/FF2019-49\\_CMGP\\_Final.pdf](https://cpbrd.congress.gov.ph/images/PDF%20Attachments/Facts%20in%20Figures/FF2019-49_CMGP_Final.pdf) (last accessed August 7, 2022).

<sup>2</sup> World Economic Forum, Global Competitiveness Report 2018, accessible at <https://www3.weforum.org/docs/GCR2018/05FullReport/TheGlobalCompetitivenessReport2018.pdf>, p. 465, (last accessed August 7, 2022).

<sup>3</sup> World Economic Forum, Global Competitiveness Report 2019, accessible at [https://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2019.pdf](https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf), p. 463, (last accessed August 7, 2022)


<sup>4</sup> World Bank, Infrastructure in Asia and the Pacific: Road Transport, Electricity, and Water & Sanitation Services in East Asia, South Asia, and the Pacific Islands, accessible at <https://openknowledge.worldbank.org/bitstream/handle/10986/34228/Road-Transport-Electricity-and->

To address the issue of underinvestment and improvement of quality of the Philippine local road network, the Department of Interior and Local Government and the Department of Budget and Management launched the Conditional Matching Grant to Provinces (CMGP) to implement road construction, repairs, and rehabilitation. Currently, the CMGP Program forms part of the Local Government Support Fund, annually funded by the national government for the repair, rehabilitation, and improvement of provincial roads. It aims to “sustainably improve the quality of local road network across the country by using road infrastructure projects as an entry point to reinforce the achievement of reform targets aimed at enhancing the Provinces’ systems, processes, and practices in Local Road Management and Public Financial Management.”<sup>5</sup>

As of 2020 yearend, showing the cumulative accomplishments of Provincial Governments from 2016 – 2020 [including projects from the 2016 Konkreto at Ayos na LanSangan ang DAan Tungo sa Pangkalahatang Kaunlaran (KALSADA)], 843 projects have been completed by the CMGP in 78 provinces (2,666.88 km), 202 projects under ongoing construction in 72 provinces (553.96 km), 98 projects under procurement (185.47 km), and 26 projects with funds released pending procurement (46.02 km).<sup>6</sup>

Indeed, to promote inclusive growth, the government must undertake the herculean task of improving connectivity and mobility of all persons to connect them to various opportunities, such as jobs and other economic activities, access to basic services, such as education and health, and lower transportation costs for the delivery of goods, among others. The CMGP is a step towards that direction. Thus, the institutionalization of the said program will undeniably have a positive impact to the economy and improved quality of life for all.

Thus, the immediate passage of this bill is earnestly sought.

  
**SENATOR JOEL VILLANUEVA**

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[Water-and-Sanitation-Services-in-East-Asia-South-Asia-and-the-Pacific-Islands.pdf?sequence=4&isAllowed=y](#), p. 54 (last accessed August 7, 2022).


<sup>5</sup> Department of Interior and Local Government, Memorandum Circular No. 2022-043, Implementation Guidelines of the Conditional Matching Grant to Provinces for Road and Bridge Rehabilitation, Upgrading and Improvement (CMGP) under the Local Government Support Fund in the FY 2022 General Appropriations Act (GAA), Republic Act No. 11639, accessible at [https://www.dilg.gov.ph/PDF\\_File/issuances/memo\\_circulars/dilg-memocircular-202248\\_e5fc9ef9de.pdf](https://www.dilg.gov.ph/PDF_File/issuances/memo_circulars/dilg-memocircular-202248_e5fc9ef9de.pdf).

<sup>6</sup> Department of Interior and Local Government, Conditional Matching Grant to Provinces for Road and Bridge Repair, Rehabilitation, and Improvement Yearend Report 2020, accessible at [https://2eac940d-8e9f-440b-a100-8f9b8c7e2253.filesusr.com/ugd/a270c6\\_5da4a2ad988944d4a2f0233270248ed0.pdf](https://2eac940d-8e9f-440b-a100-8f9b8c7e2253.filesusr.com/ugd/a270c6_5da4a2ad988944d4a2f0233270248ed0.pdf) (last accessed August 8, 2022).



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SENATE

S. B. NO. 1137

Introduced by **SENATOR JOEL VILLANUEVA**

**AN ACT**  
**INSTITUTIONALIZING THE CONDITIONAL MATCHING GRANT TO**  
**PROVINCES (CMGP) FOR ROAD AND BRIDGE REPAIR,**  
**REHABILITATION, AND IMPROVEMENT, PROVIDING FUNDS**  
**THEREFOR, AND FOR OTHER PURPOSES**

*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 “*Local Road*  
2           *Repair, Rehabilitation, and Improvement Act.*”  
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4           **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the  
5           State to facilitate trade, broaden access to basic social services and economic  
6           opportunities, and enhance people’s mobility. For this purpose, local  
7           government units (LGUs) shall lead the establishment and improvement of  
8           national and/or local road connectivity, while the national government shall  
9           provide complementary support mechanisms for such efforts.  
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11           **SEC. 3. Definition of Terms.** – The following terms shall be defined as  
12           follows:  
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14           a)   **Local Road Management** shall refer to planning, prioritizing, and  
15           sustainably managing the local road network in consideration of the  
16           envisioned socio-economic development of the LGU;  
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18           b)   **Local Roads** shall refer to provincial, municipal, or barangay road/s  
19           that:  
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21                   1)   Connect cities and municipalities without traversing national  
22                   roads;  
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24                   2)   Connect national roads to barangays through rural areas; or

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3) Connect to major provincial government infrastructure;

c) **Core Local Roads** shall refer to the minimum road network required to support economic and social development by providing linkages between the majority of the population and the basic services and facilities within the province. Core local roads also serve as the primary drivers of local economic growth; and

d) **Local Road Network Development Plan (LRNDP)** shall refer to a transparent and predictable multi-year development program of local road networks, including provincial, city, municipal, and barangay roads, that need to be improved or rehabilitated in the next five (5) years to support local economic development, particularly agriculture, trade, logistics, and tourism hubs.

**SEC. 4. Conditional Matching Grant to Provinces (CMGP) Program.**

– There is hereby established a regular national government program to be known as the Conditional Matching Grant to Provinces (CMGP) Program. The CMGP shall annually:

- a) Apportion funds for the repair, rehabilitation, and improvement of core provincial, municipal, and barangay roads by the provincial governments, as identified in the provinces' LRNDP;
- b) Provide capacity development activities, develop and roll-out systems and tools for the improvement of the provinces' local road management; and
- c) Administer the funds apportioned to the provincial governments.

The CMGP shall be managed by the Department of Interior and Local Government (DILG), which is the national government agency mandated to strengthen local government capability for effective delivery of basic services to the citizenry.

**SEC. 5. Powers and Functions.**

– The CMGP Program shall be a partnership program of the DILG and the Department of Budget and Management (DBM) for provincial governments. These agencies shall have the following roles:

- a) The DILG shall:
  - 1) Administer the funds and manage the operations of the CMGP Program;
  - 2) Monitor the provincial governments' compliance with the law and its implementing rules and regulations of the CMGP Program, and set-up a publicly accessible database of reports

- 1 on the provincial governments' performance and  
2 accomplishments with respect to the CMGP Program;  
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- 4 3) Organize and develop continuing training programs, coaching,  
5 and mentoring for provincial governments on local road  
6 management and public financial management;  
7
- 8 4) Continuously develop tools and systems for LGUs that will  
9 support the continuous development and improvement of the  
10 management of local roads;  
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- 12 5) Plan and implement research and development activities as a  
13 center of knowledge and services in the area of local road  
14 management;  
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- 16 6) Develop a set of criteria for the annual allocation of funds  
17 provided by the National Government for the repair,  
18 rehabilitation, and improvement of local roads to be approved  
19 by the Program Steering Committee created under Section 6  
20 of this Act;  
21
- 22 7) Formulate policies that would support the efficient  
23 implementation and achievement of the Program's goals and  
24 objectives, for approval and concurrence of the Steering  
25 Committee;  
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- 27 8) Forge partnerships with, and receive from any person and/or  
28 government and private entities, whether foreign or domestic,  
29 services relevant to the purpose and objectives of the  
30 Program; and  
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- 32 9) Exercise such other powers and functions, and perform such  
33 other acts as may be necessary, proper, or incidental to the  
34 attainment of the Program's purposes and objectives.  
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- 36 b) The DBM shall:  
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- 38 1) Issue the Special Allotment Release Order (SARO) and the  
39 Notice of Cash Allocation, upon compliance with its rules and  
40 regulations, and coordinate with the Bureau of Treasury for  
41 the direct download of funds to the provinces;  
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- 43 2) Assist the provincial governments in matters relevant to public  
44 financial management; and  
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- 46 3) Develop tools and systems for LGUs that will support the  
47 continuous development and improvement of the  
48 management of public finances;  
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- 50 c) The Provincial Governments shall:

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- 1) Undertake the implementation of provincial road works subject to the provisions of the implementing rules and regulations of this Act;
- 2) Undertake the implementation of road works on municipal and barangay roads as identified in their respective LRNDP, in coordination with the municipal and barangay government units; and
- 3) Provide capacity development to municipal and barangay governments under its territorial jurisdiction on Local Road Management and Public Financial Management.

**SEC. 6. CMGP Program Steering Committee.** – The governance and policy direction of the CMGP Program shall be vested in, and its powers exercised by, the CMGP Program Steering Committee (the “Committee”). The Committee shall be composed of seven (7) members, as follows:

- a) The Undersecretary for Local Government of the Department of the Interior and Local Government (DILG) as Chairman;
- b) The Secretary General of the League of Provinces of the Philippines (LPP);
- c) The Undersecretary for Local Government and Regional Operations Group of the DBM;
- d) The Undersecretary for Investment Programming of the National Economic and Development Authority (NEDA); and
- e) The Undersecretary for Planning and Public-Private Partnership of the Department of Public Works and Highways (DPWH).

The DILG shall serve as the Secretariat of the Committee. It shall be composed of existing personnel from the DILG, and shall provide administrative, operational, and technical support to the Committee. If necessary, the DILG may request for additional personnel, subject to the approval of the DBM and in accordance with the rules and regulations of the Civil Service Commission.

**SEC. 7. Functions and Responsibilities of the Program Steering Committee.** – The Committee shall have the following functions:

- a) To formulate and adopt policies and measures for the management and operation of the Program;
- b) To promulgate rules and regulations for the discharge of its powers and functions and the internal operations for the management of the CMGP Program;

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- c) To oversee the financial affairs of the CMGP Program according to its requirements; and
- d) To periodically monitor and review the operations, performance, accomplishments, and points for improvement of the Program.

**SEC. 8. Government Coordination.** – The DILG, as the leading agency for the implementation of the Program, shall assist, cooperate, and coordinate with other government agencies for the attainment of the purposes and objectives of this Act.

**SEC. 9. Disclosure of Information on Projects being Implemented.** – All projects under the CMGP Program, their respective status, including completed, ongoing, and cancelled projects, fund allotment and distribution, procurement contracts, location of project, and other relevant information shall be made accessible to the public. Such information shall be updated on a quarterly basis.

**SEC. 10. Appropriations.** – The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law and thereafter.

**SEC. 11. Implementing Rules and Regulations.** – Within thirty (30) days from the completion of their appointments, the Program Steering Committee shall convene, and with the existing CMGP Program Management Office and the Office of the Project Development Services where the Program is lodged, shall formulate the implementing rules and regulations for the effective implementation of this Act, in coordination with relevant stakeholders. The rules and regulations shall be issued within ninety (90) days from the date of the Committee’s initial meeting.

**SEC 12. Separability Clause.** – If any portion or provision of this Act is subsequently declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

**SEC 13. Repealing Clause.** – All laws, decrees, executive orders, proclamations and administrative regulations, or any parts thereof inconsistent herewith are hereby revoked, repealed, or modified accordingly.

**SEC. 14. Effectivity.** – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

**Approved,**