

# *Initiatives on Progressive Budgeting to Address Socioeconomic Inequalities*

01 September 2022

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Department of Budget and Management



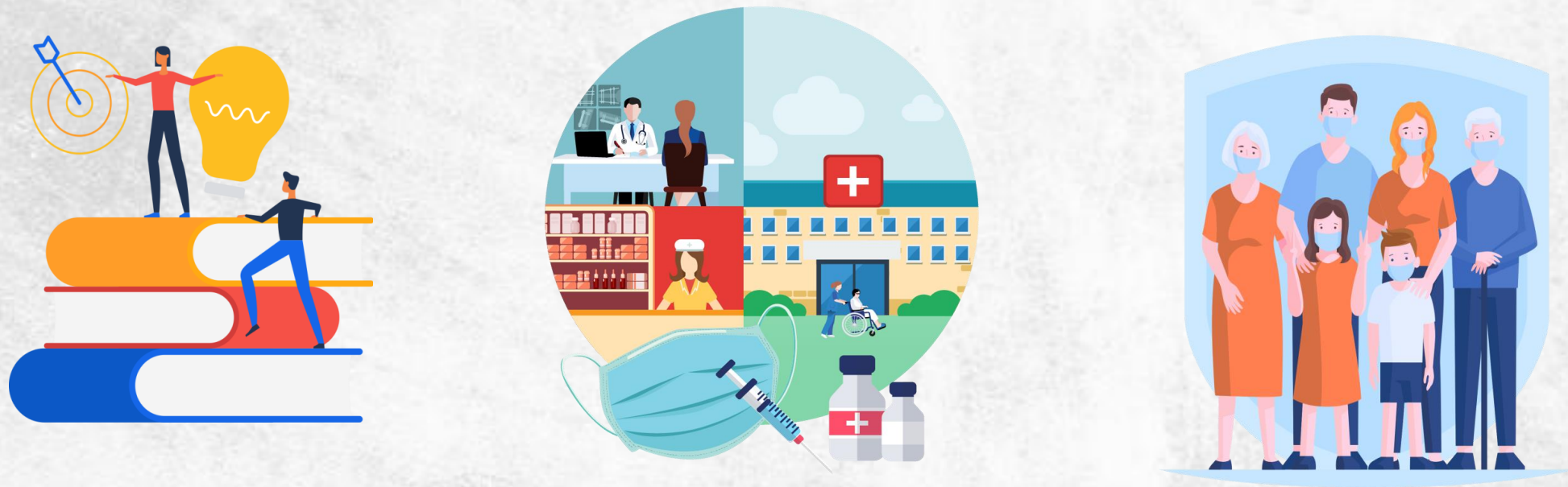
# Outline

- Investments in Human Capital Development
- Efficient, Transparent, and Accountable Public Service Delivery



# Initiatives to Address Socioeconomic Inequalities

## *Investments in Human Capital Development*



# Improving the Education Sector Through Financial Aid



- Student Financial Programs
  - DSWD – Release of educational assistance under the Assistance to Individuals in Crisis Situation (AICS) fund

# Strengthen Health Services



- Investment in health service improvement
- Ramping up vaccination and uptake of boosters for the elderly and vulnerable populations

# Strengthen Social Protection

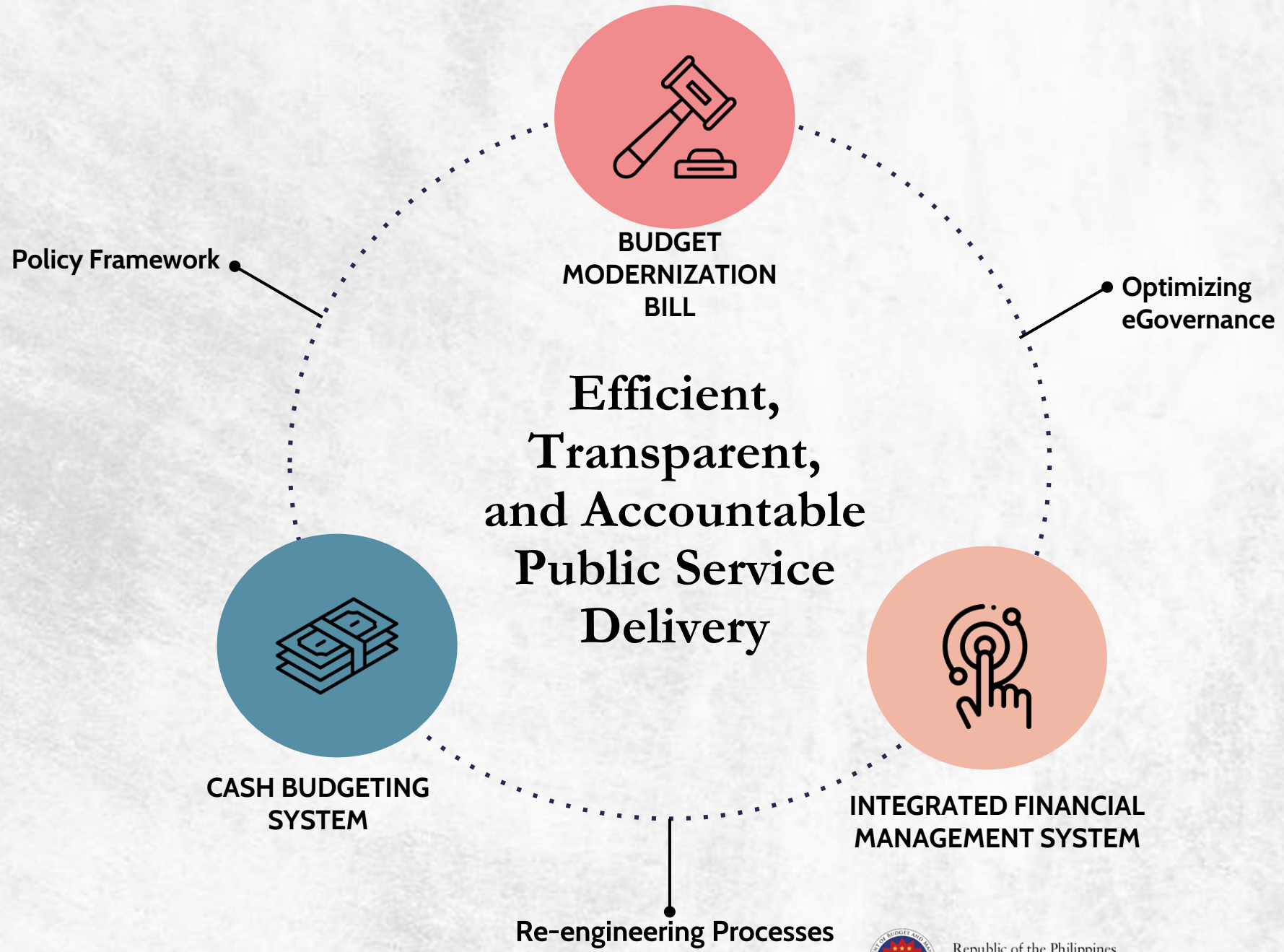


- Pantawid Pamilyang Pilipino Program (4Ps)
- Targeted Cash Transfer (TCT) Program

# Strengthen Social Protection



- Social Pension for Indigent Senior Citizens (SocPen)



**BUDGET  
MODERNIZATION  
BILL**

**Efficient,  
Transparent,  
and Accountable  
Public Service  
Delivery**

**Optimizing  
eGovernance**

**CASH BUDGETING  
SYSTEM**

**INTEGRATED FINANCIAL  
MANAGEMENT SYSTEM**

**Re-engineering Processes**





Cash Budgeting System **strengthens fiscal discipline** to ensure that every peso would lead to the **actual delivery of programs and projects and benefit all sectors especially the poor and marginalized.**

## Education

2022: Php 788.5 B (15.7%)

2021: Php 749.0 B (16.6%)

- Pre-primary and primary education: PhP293.9 B
- Secondary education: PhP248.9 B
- Tertiary education: PhP125.4 B

## Social Protection

2022: Php 561.2 B (11.2%)

2021: Php 456.5 B (10.1%)

- Pantawid Pamilya Program: PhP 107.7 B
- Survivors (Gender and development, internally displaced persons, and disaster relief assistance): PhP 76.1 B
- Family and children (Street families): PhP44.3 B

## Health

2022: Php 276.8 B (5.5%)

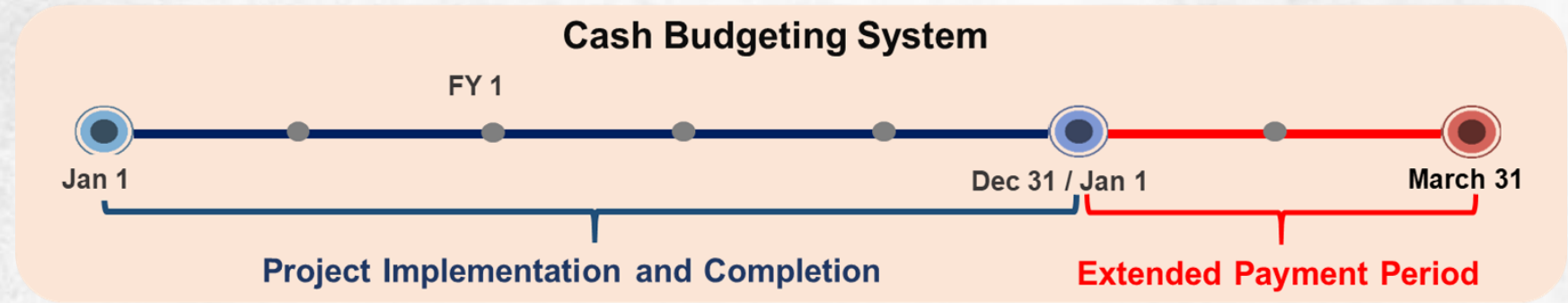
2021: Php 221.6 B (4.9%)

- Public health services: PhP90.2 B
- Health insurance: PhP80.0 B
- Hospital services: PhP72.8 B

# CBS will decrease administrative burden and increase implementation capacity of agencies



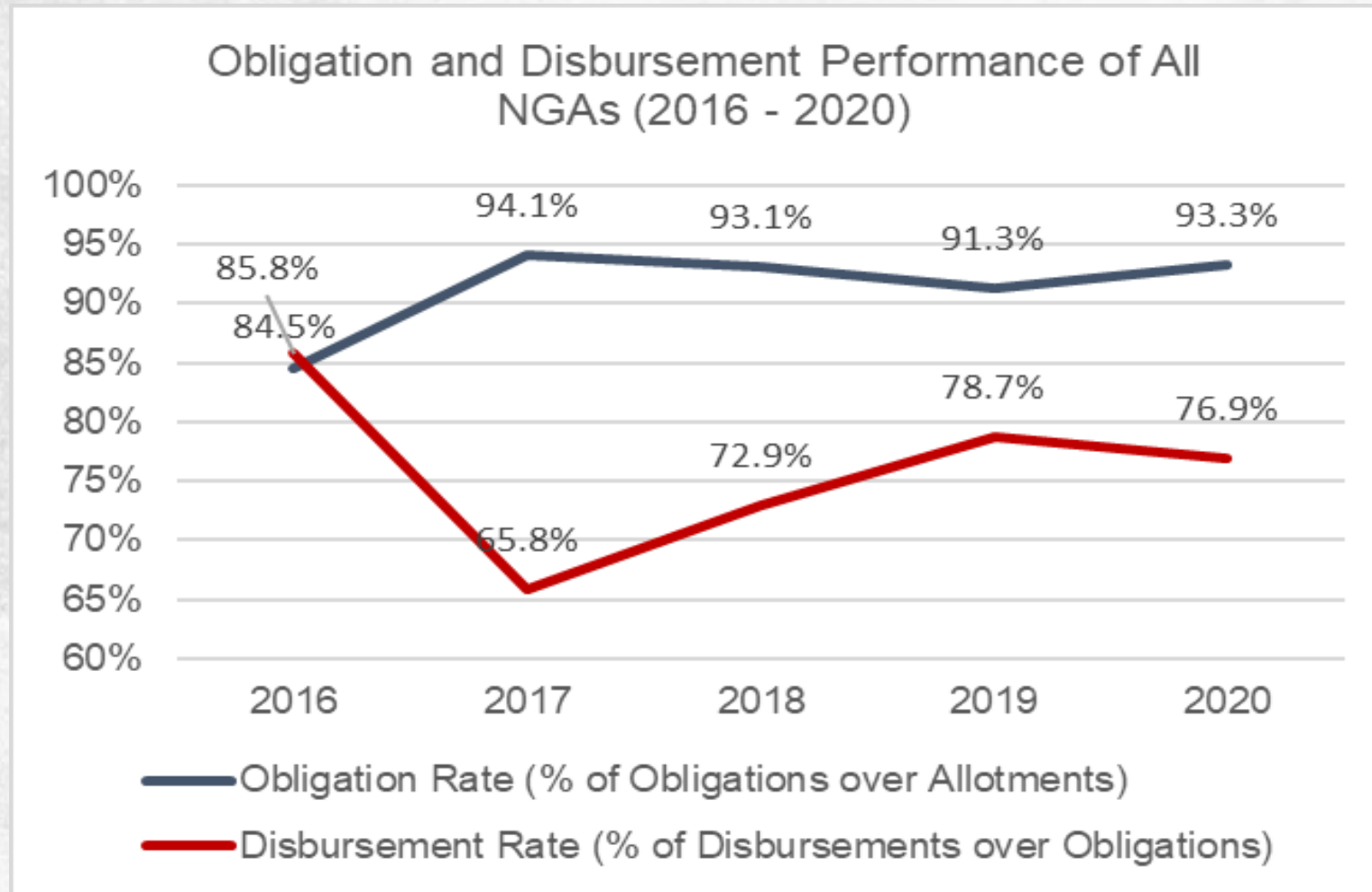
Stacking Up of Projects due to Delayed Implementation results to unrealized socioeconomic targets



Procedure	Cash Budgeting System	Obligation Based Budgeting System
Obligation	Until the end of each Fiscal Year	Until the end of two Fiscal Years
Implementation	Until the end of each Fiscal Year	Beyond the FY to which the PAP was appropriated
Payment	Until the end of the Extended Payment Period (EPP)	



# Obligation and Disbursement **Tend** Upward Despite Headwinds



Source: Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB) (2016-2020)  
Note: The data covers Total NGAs' Current Year Budget and Continuing Appropriation



Republic of the Philippines

DEPARTMENT OF BUDGET AND MANAGEMENT

Policy Framework



BUDGET  
MODERNIZATION  
BILL

**Optimizing  
eGovernance**

Facilitate the generation and monitoring of vital information on all aspects of government financial transactions which are key for the government to make informed decisions.

**Efficient,  
Transparent,  
and Accountable  
Public Service  
Delivery**



CASH BUDGETING  
SYSTEM



INTEGRATED FINANCIAL  
MANAGEMENT SYSTEM

**Re-engineering Process**





# BUDGET MODERNIZATION BILL

- To lay down the foundational framework for efficient and accountable budget execution

## Focus Areas

<b>Institutionalization of Reforms in Public Financial Management;</b>	<b>Implementation of Cash Budgeting System;</b>	<b>Strengthening oversight of Bureau of the Treasury on government bank accounts;</b>	<b>Deployment of Integrated Financial Management Information System;</b>	<b>Oversight Internal Audit Standards; and</b>	<b>Institutionalization of public participation in budget process</b>
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# Digital Payments for Government Disbursements and Collections

**E.O. No. 170, s. 2022**

*“Adoption of Digital Payments for Government Disbursements and Collections”*

## Digital Payments for Government Disbursements:

- Payment of goods and services
- Distribution of financial assistance
- Payment of salaries, wages, allowances and other compensation to employees

## Digital Payments for Government Collections:

- Payments for taxes, fees, tolls, and other charges and impositions

## Status:

- The TWG posted the draft Implementing Rules and Regulations (IRR) on the BTr’s website on August 9, 2022 to solicit inputs and comments from the public.



# The National Government Rightsizing Program (NGRP)

The National Government Rightsizing Program (NGRP) aims to enhance the government's institutional capacity to:



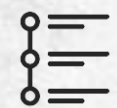
Implement transformational reform initiatives



Focus on the performance of the vital/core functions of agencies



Improve public service delivery



Simplify systems and processes of agencies

**Status:** *NGRP Bill referred to the 19th Congress*

Legislators	Date of Referral
<b>Senate</b>	
Senate President Juan Miguel Zubiri	01 August 2022
Senator Francis Escudero	
<b>House of Representatives</b>	
Speaker of the House Ferdinand Martin Romualdez	02 August 2022
Representative Margarita Ignacia Nograles	



# *Green Public Procurement (GPP) Roadmap*





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