

# Open Budget Survey 2019

Questionnaire

Philippines

April 2020

# Country Questionnaire: Philippines

PBS-1. What is the fiscal year of the PBS evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:

FY 2019

Source:

DBM, National Budget Memorandum No. 130: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2, 17 April 2018;

<https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

DBM, National Budget Memorandum No. 129: National Budget Call for FY 2019, 3 January 2018;

<https://www.dbm.gov.ph/index.php/209-latest-issuances/national-budget-memorandum/2018/406-national-budget-memorandum-no-129>

Comment:

The Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2 is the most recently released version of the PBS, together with the National Budget Call for FY 2019.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-2. When is the PBS made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for a PBS to be considered publicly available, it must be made available to the public one month before the Executive's Budget Proposal is submitted to the legislature for consideration. If the PBS is not released to the public at least one month before the Executive's Budget Proposal is submitted to the legislature for consideration, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the PBS.*

Answer:

a. At least four months in advance of the budget year, and at least one month before the Executive's Budget Proposal is introduced in the legislature

Source:

Department of Budget and Management (DBM), National Budget Memorandum No. 130: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2

DBM, National Budget Memorandum No. 129: National Budget Call for FY 2019

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-3a. If the PBS is published, what is the date of publication of the PBS?

*Note that the date of publication is not necessarily the same date that is printed on the document.*

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:  
17/4/2018

Source:  
DBM, National Budget Memorandum No. 30: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2;  
<https://www.dbm.gov.ph/209-latest-issuances/national-budget-memorandum/2018/798-national-budget-memorandum-no-130>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

PBS-3b. In the box below, please explain how you determined the date of publication of the PBS.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:  
It is the date of publication in the official DBM website indicated in the document properties of the uploaded file

Source:  
<https://www.dbm.gov.ph/209-latest-issuances/national-budget-memorandum/2018/798-national-budget-memorandum-no-130>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

PBS-4. If the PBS is published, what is the URL or weblink of the PBS?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

Answer:

<https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

Source:

DBM Website, National Budget Memorandum No. 130: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2, 17 April 2018

Comment:

DBM, National Budget Memorandum No. 129: National Budget Call for FY 2019, 3 January 2018;  
<https://www.dbm.gov.ph/wp-content/uploads/Issuance/2018/National%20Budget%20Memorandum/NBM-No129.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-5. If the PBS is published, are the numerical data contained in the PBS available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>*

*Option "d" applies if the PBS is not published or not produced, therefore its machine readability cannot be assessed.*

Answer:

c. No

Source:

DBM, National Budget Memorandum No. 130: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2

Comment:

DBM, National Budget Memorandum No. 129: National Budget Call for FY 2019

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-6a. If the PBS is not publicly available, is it still produced?

*If the PBS is not considered publicly available under the OBS methodology (and thus the answer to Question PBS-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question PBS-2)*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

DBM Website

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

PBS-6b. If you selected option "c" or "d" in question PBS-6a, please specify how you determined whether the PBS was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question PBS-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

PBS-7. If the PBS is produced, please write the full title of the PBS.

*For example, a title for the Pre-Budget Statement could be "Proposed 2019 State Budget" or "Guidelines for the Preparation of Annual Plan and Budget for 2018/19."*

*If the document is not produced at all, researchers should mark this question "n/a."*

Answer:

Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2; and National Budget Call for FY 2019

Source:

DBM, National Budget Memorandum No. 130: Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals Under Tier 2

DBM, National Budget Memorandum No. 129: National Budget Call for FY 2019

Comment:

Peer Reviewer

Opinion: Disagree

Suggested Answer: I'm not sure how IBP wishes to address this -- the "budget call" was issued more than three months before the Budget Priorities Framework. It is indeed important to read them together (e.g., the proposed shift to a one-year cash-based budget from a multi-year obligation-based

budget is discussed in somewhat more detail in the earlier budget call). So, one could consider the two documents together as the "pre-budget" statement, or one could focus on the later Budget Priorities Framework as the "Pre-Budget Statement"

Government Reviewer  
Opinion: Agree

Researcher Response

The PBS are in two documents: (1) National Budget Call for FY 2019, and (2) Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2.

PBS-8. Is there a "citizens version" of the PBS?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.*

Answer:

a. Yes

Source:

DBM, Briefer on the 2019 Budget Priorities Framework, 20 April 2018;  
<https://www.dbm.gov.ph/images/pdf/files//2019-Budget-Priorities-Framework-Final.pdf>

Comment:

The document was published on time.

Peer Reviewer

Opinion: Agree

Comments: This again is a judgement call -- the document being cited is a two-page infographic which is considerably less detailed than any of the examples of Citizens Budgets available on the IBP website. For instance, the cash-based budgeting reform information included "the budgets of line agencies are expected to be lower than the 2018 budget spending levels [under the multi-year obligation budget]; budget officials seemed surprised when legislators and commentators repeatedly compared the two levels and decried cuts to budgets of particular agencies. A more expansive discussion would have prepared the ground for a more evidence-based discussion. On the other hand, with a binary choice, it is true that this document was produced. And Citizens versions of both the budget proposal and enacted budget are produced, in considerably more detail.

Government Reviewer

Opinion: Agree

Researcher Response

There is agreement that there is a citizens version of the PBS.

EBP-1a. What is the fiscal year of the EBP evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

Answer:

FY 2019

Source:

DBM, The President's Budget Message FY 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>  
DBM, National Expenditure Program FY 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>  
DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

DBM, Staffing Summary 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>  
DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

The President's Budget Message FY 2019 is the most recently released version of the EBP. The supporting EBP documents are the National Expenditure Program FY 2019, Budget of Expenditures and Sources of Financing FY 2019, Staffing Summary 2019, and Technical Notes on the 2019 Proposed National Budget.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EBP-1b. When is the EBP submitted to the legislature for consideration?

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:  
20/7/2018

Source:  
Jelly Musico, "PRRD Submits Proposed P3.757-T 2019 National Budget," Philippine News Agency;  
<http://www.pna.gov.ph/articles/1042481>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EBP-2. When is the EBP made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for an EBP to be considered publicly available, it must be made available to the public while the legislature is still considering it and before the legislature approves (enacts) it. If the EBP is not released to the public before the legislature approves it, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EBP.*

*The OBS definition of an Executive's Budget Proposal is a document(s) that (i) the executive submits to the legislature as a formal part of the budget approval process and (ii) the legislature either approves or on which it approves proposed amendments.*

*The OBS will treat the Executive's Budget Proposal as "Not Produced," in the following cases:*

- *The executive does not submit the draft budget to the legislature; or*
- *The legislature receives the draft budget but does not approve it or does not approve recommendations on the draft budget;*
- *The legislature rejects the draft budget submitted by the executive, but the executive implements it without legislative approval; or*
- *There is no legislature, or the legislature has been dissolved.*

Answer:

a. At least three months in advance of the budget year, and in advance of the budget being approved by the legislature

Source:

DBM, The President's Budget Message FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

DBM, National Expenditure Program FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

DBM, Staffing Summary 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>

DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

The EBP is published (1) July 20, which is more than five months before the start of the FY, and (2) before the budget proposal was approved in February 2019.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-3a. If the EBP is published, what is the date of publication of the EBP?

*Note that the date of publication is not necessarily the same date that is printed on the document.*

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

*In the comment boxes below, researchers should also list any supporting documents to the EBP and their date of publication.*

Answer:

20/7/2018 20/7/2018

Source:

DBM, The President's Budget Message FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Comment:

DBM, National Expenditure Program FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

DBM, Staffing Summary 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>

DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree



EBP-3b. In the box below, please explain how you determined the date of publication of the EBP.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:

I went to the official DBM website. From the Budget Documents drop-down menu, I clicked The President's Budget Message FY 2019 (EBP). I checked the document properties of the EBP to determine the date of publication.

Source:

DBM, The President's Budget Message, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Comment:

Peer Reviewer

Opinion: Agree

Comments: News items also included pictures of the physical document.

Government Reviewer

Opinion: Agree

EBP-4. If the EBP is published, what is the URL or weblink of the EBP?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

*In the comment boxes below, researchers should also list any supporting documents to the EBP and their URL or weblink.*

Answer:

<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Source:

DBM, The President's Budget Message, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Comment:

DBM, National Expenditure Program FY 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>  
DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>  
DBM, Staffing Summary 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>  
DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-5. If the EBP is published, are the numerical data contained in the EBP or its supporting documents available in a machine readable format?

Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.

Option "d" applies if the EBP is not published or not produced, therefore its machine readability cannot be assessed.

Answer:

b. Yes, some of the numerical data are available in a machine readable format

Source:

DBM, The President's Budget Message FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

DBM, National Expenditure Program FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

DBM, Staffing Summary 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>

DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

Numerical data are available in the National Expenditure Program,

<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EBP-6a. If the EBP is not publicly available, is it still produced?

*If the EBP is not considered publicly available under the OBS methodology (and thus the answer to Question EBP-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EBP-2).*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

DBM, The President's Budget Message FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

DBM, National Expenditure Program FY 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

DBM, Budget of Expenditures and Sources of Financing FY 2019, 21 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

DBM, Staffing Summary 2019, 20 July 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>

DBM, Technical Notes on the 2019 Proposed National Budget, 26 September 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EBP-6b. If you selected option "c" or "d" in question EBP-6a, please specify how you determined whether the EBP was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question EBP-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer  
Opinion:

Government Reviewer  
Opinion:

EBP-7. If the EBP is produced, please write the full title of the EBP.

*For example, a title for the Executive's Budget Proposal could be "Draft Estimates of Revenue and Expenditure for BY 2018-19, produced by the Ministry of Finance, Planning and Economic Development."*

*If there are any supporting documents to the EBP, please enter their full titles in the comment box below.*

*If the document is not produced at all, researchers should mark this question "n/a."*

Answer:

The President's Budget Message FY 2019

Source:

DBM, The President's Budget Message 2019, 20 July 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Comment:

Supporting EBP document titles:  
DBM, National Expenditure Program FY 2019  
DBM, Budget of Expenditures and Sources of Financing FY 2019;  
DBM, Staffing Summary 2019;  
DBM, Technical Notes on the 2019 Proposed National Budget.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EBP-8. Is there a "citizens version" of the EBP?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets>.*

Answer:  
a. Yes

Source:  
DBM, 2019 People's Proposed Budget, 23 August 2018;  
<https://www.dbm.gov.ph/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EB-1a. What is the fiscal year of the EB evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

Answer:  
FY 2018

Source:  
Republic Act No. 10964, General Appropriations Act FY 2018, 28 December 2017

Comment:  
The General Appropriations Act FY 2018 is the most recently released version of the EB.

Peer Reviewer  
Opinion: Agree

Comments: Actually, this distinction is important, as the Congress missed the December 31, 2018 deadline for enacting the FY2019 budget (which otherwise would have been the document subject to this review). The previous questions all referred to the run-up to the FY2019 budget, but these questions will refer to the FY2018 Enacted Budget.

Government Reviewer  
Opinion: Agree

IBP Comment

Thank you for the comment from the Peer Reviewer. It is helpful to note that the FY 2019 budget was not approved or published before the end of the fiscal year. However, because the budget proposal (EBP) and the enacted budget (EB) are separate documents, they can use different fiscal years. Since the FY 2019 EBP was published before the end of 2018 (the research cut-off date), it is the correct year to be assessed in this OBS. Similarly, since the FY 2019 EB was \*not\* approved or published in 2018, then FY 2018 is the correct fiscal year to assess for the EB in this OBS.

EB-1b. When was the EB approved (enacted) by the legislature?

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:

19/12/2017

Source:

Republic Act No. 10964, General Appropriations Act FY 2018, 19 December 2017;  
[https://www.senate.gov.ph/photo\\_release/2017/1220\\_01.asp](https://www.senate.gov.ph/photo_release/2017/1220_01.asp)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-2. When is the EB made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for an EB to be considered publicly available, it must be made available to the public three months after the budget is approved by the legislature. If the EB is not released to the public at least three months after the budget is approved by the legislature, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the EB.*

Answer:

a. Two weeks or less after the budget has been enacted

Source:

General Appropriations Act FY, 2018, 28 December 2017;  
[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Comment:

The EB was published in less than two weeks after it was enacted into law.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-3a. If the EB is published, what is the date of publication of the EB?

*Note that the date of publication is not necessarily the same date that is printed on the document.*

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.

Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.

Answer:  
28/12/2017

Source:  
DBM, General Appropriations Act FY 2018;  
[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Comment:  
The EB was published within the time frame accepted by the OBS methodology which is within three months after legislative approval.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EB-3b. In the box below, please explain how you determined the date of publication of the EB.

If the document is not published at all, researchers should mark this question "n/a."

Answer:  
I visited the official DBM website. From the Budget Documents drop-down menu, I scrolled FY 2018 and clicked on the General Appropriations Act FY 2018. I checked the document properties of the file and determined the date of publication to be 28 December 2017.

Source:  
DBM, General Appropriations Act FY 2018, 28 December 2017;  
[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Comment:  
The EB was published in the DBM website within two weeks after it was enacted into law

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

EB-4. If the EB is published, what is the URL or weblink of the EB?

Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.

Answer:  
[https://dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Source:  
DBM, General Appropriations Act FY 2018; 28 December 2017;  
[https://dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

<https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/gaa-volume-ia-ib>

Comment:

The EB is published in the official DBM website.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-5. If the EB is published, are the numerical data contained in the EB available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>*

*Option "d" applies if the EB is not published or not produced, therefore its machine readability cannot be assessed.*

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

DBM, General Appropriations Act FY 2018, 28 December 2017;

<https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/gaa-volume-ia-ib>

Comment:

The numerical data are in machine readable format.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-6a. If the EB is not publicly available, is it still produced?

*If the EB is not considered publicly available under the OBS methodology (and thus the answer to Question EB-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question EB-2)*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

DBM, General Appropriations Act FY 2018, 28 December 2017;

<https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/gaa-volume-ia-ib>

Comment:

The document is publicly available.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Researcher Response

There is agreement on the answer "e".

EB-6b. If you selected option "c" or "d" in question EB-6a, please specify how you determined whether the EB was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question EB-6a, researchers should mark this question "n/a."*

Answer:

The EB is not produced at all because it has not been enacted.

Source:

Jess Diaz, "Congress Fails to Pass 2019 Budget Bill," The Philippine Star, 14 December 2018;  
<https://www.philstar.com/headlines/2018/12/14/1876967/congress-fails-pass-2019-budget-bill>

Filane Mikee Cervantes, "2019 National Budget Gets Bicam Nod, Philippine News Agency, 8 February 2019;  
<http://www.pna.gov.ph/articles/1061404>

Comment:

The EB is not released to the public because it was not enacted on time. The 2019 National Budget was passed by Congress on 6 February 2019 and is awaiting the President's signature.

Peer Reviewer

Opinion: Disagree

Suggested Answer: the answer in E-6A is "e" not applicable.

Comments: This goes back to question EB-1a -- the 2019 EB was not produced by the research cut-off date of 31 December 2019, but rather finally was passed in February and signed into law by the President on April 15, 2019. The previous questions referred to the 2018 EB, then this question ought to also.

Government Reviewer

Opinion: Disagree

Suggested Answer: n/a

Comments: The EB document assessed in this round is FY 2018, not FY 2019. So with reference to the FY 2018 Enacted Budget document, it has been produced and publicly available, as also cited by the researcher in his answer to questions EB-1 to 6a, and EB-7.

IBP Comment

Thank you to the reviewers for your responses. It is correct that the EB for FY 2018 was produced and released to the public on-time.

EB-7. If the EB is produced, please write the full title of the EB.

*For example, a title for the Enacted Budget could be "Appropriation Act n. 10 of 2018."*

*If the document is not produced at all, researchers should mark this question "n/a."*

Answer:



General Appropriations Act FY 2018

Source:

DBM, General Appropriations Act FY 2018, 28 December 2017;  
<https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/gaa-volume-ia-ib>

Comment:

The EB was produced and is publicly available.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

EB-8. Is there a "citizens version" of the EB?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.*

Answer:

a. Yes

Source:

DBM, 2018 People's Budget, 5 March 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2018/2018-people-s-budget/2018-people-s-budget>

Comment:

The Citizens Budget of the EB was released to the public no later than three months after the legislative approval of the budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-1. What is the fiscal year of the CB evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

*If more than one Citizens Budget is produced, for each CB please indicate the document the CB simplifies/refers to, and the fiscal year.*

Answer:

FY 2019

Source:

DBM, 2019 People's Proposed Budget, 23 August 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

The 2019 People's Proposed Budget is the most recently released version of the CB. It simplifies the Executive's Budget Proposal for FY 2019.

Peer Reviewer

Opinion: Agree

Comments: Since Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal, this version is acceptable even though the budget to which it refers was not enacted before the end of FY 2018.

Government Reviewer

Opinion: Agree

CB-2a. For the fiscal year indicated in CB-1, what is the public availability status of the CB.

*If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document (Executive's Budget Proposal or Enacted Budget) you are referring to, and – in the same comment box – which other Citizens Budget is produced and its public availability status.*

*Remember that publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified by the OBS methodology and that all citizens are able to obtain free of charge. This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology  
Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

Answer:

e. Not applicable (the document is publicly available)

Source:

DBM, 2019 People's Proposed Budget, 23 August 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

The CB referred here is for the Executive's Budget Proposal.

Another CB document that is publicly available is for the Pre-Budget Statement.

DBM, Briefer on the 2019 Budget Priorities Framework, 20 April 2018;

<https://www.dbm.gov.ph/images/pdf/files//2019-Budget-Priorities-Framework-Final.pdf>

Peer Reviewer

Opinion: Agree

Comments: Also, there is a CB for the FY2018 Enacted budget, which will be referenced in EB questions.

Government Reviewer

Opinion: Agree

CB-2b. If you selected option "c" or "d" in question CB-2a, please specify how you determined whether the CB was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question CB-2a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer  
Opinion:

Government Reviewer  
Opinion:

CB-3a. If the CB is published, what is the date of publication of the CB?

*Note that the date of publication is not necessarily the same date that is printed on the document. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

*If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its dates of publication.*

Answer:  
23/8/2018

Source:  
DBM, 2019 People's Proposed Budget, 23 August 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

CB-3b. In the box below, please explain how you determined the date of publication of the CB.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:  
I visited the official DBM website. From the Budget Documents drop-down menu, I clicked on the 2019 People's Proposed Budget link. Once I'm in the file, I checked the Document Properties which indicated the date of publication.

Source:  
DBM, 2019 People's Proposed Budget, 23 August 2018;  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

CB-4. If the CB is published, what is the URL or weblink of the CB?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

*If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budget is produced and its URL or weblink.*

Answer:

<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Source:

DBM, 2019 People's Proposed Budget, 23 August 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

CB-5. If the CB is produced, please write the full title of the CB.

*For example, a title for the Citizens Budget could be "Budget 2018 People's Guide" or "2019 Proposed Budget in Brief: A People's Budget Publication."*

*If the document is not produced at all, researchers should mark this question "n/a."*

*If more than one Citizens Budget is produced, for the other CB, indicate the document the CB refers to and, next to it, its full title.*

Answer:

2019 People's Proposed Budget

Source:

DBM, 2019 People's Proposed Budget, 23 August 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

Peer Reviewer

Opinion: Agree

Comments: There is a CB for the FY2018 Enacted Budget, but this CB for the Executive Budget Proposal is more recent.

Government Reviewer

Opinion: Agree

CB-6. If the CB is produced, please indicate which budget document it corresponds to.

*If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document you are*

referring to, and – in the same comment box – which other Citizens Budget is produced and which budget document it simplifies.

Answer:

Executive's Budget Proposal

Source:

DBM, 2019 People's Proposed Budget, 23 August 2018;

<https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

The other CB which is a Briefer on the 2019 Budget Priorities Framework corresponds to the Pre-Budget Statement.

Peer Reviewer

Opinion: Agree

Comments: A citizens budget prepared for the Enacted Budget, both for the 2018 and the 2019 budget – but the latter was produced after the cut-off since the 2019 budget was enacted late, after the start of FY2019 and cut-off period for the research.

Government Reviewer

Opinion: Agree

IYRs-1. What is the fiscal year of the IYRs evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

Answer:

FY 2017-18

Source:

DBM, Report on Utilization of Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs FY 2018;

<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization>

Comment:

The IYRs for FY 2017-18 represent the most recently released version of the budget document.

Peer Reviewer

Opinion: Agree

Comments: "Report on Utilization of Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs" or "Status of NCA Utilization" is the title of the website that has monthly entries; FY 2018 is not there and its inclusion is a little confusing. But the document itself is perfectly clear.

Government Reviewer

Opinion: Agree

IYRs-2. When are the IYRs made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for IYRs to be considered publicly available, IYRs must be made available to the public no later than three months after the reporting period ends. If at least seven of the last 12 monthly IYRs, or at least three of the last four quarterly IYRs are not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the IYRs.*

Answer:

a. At least every month, and within one month of the period covered

Source:

DBM, Report on Utilization of Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs FY 2018;  
<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization>

DBM, NG Disbursement Performance

<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/ng-disbursement-performance/800-2018-ng-disbursement-performance>  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/ng-disbursement-performance/416-2017-ng-disbursement-performance>

DBM, Statement of Allotment, Obligation and Balances

<https://www.dbm.gov.ph/index.php/programs-projects/statement-of-allotment-obligation-and-balances#saob-fy-2018>

Treasury, Cash Operations Statement, updated monthly

[http://www.treasury.gov.ph/?page\\_id=4221](http://www.treasury.gov.ph/?page_id=4221)

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3a. If the IYRs are published, what are the dates of publication of the IYRs?

*Specifically: if quarterly In-Year Reports are published, indicate the dates of publication of at least three of the last four IYRs that were publicly available. If monthly IYRs are published, indicate the dates of publication of at least seven of the last 12 IYRs that were publicly available.*

*Note that the date of publication is not necessarily the same date that is printed on the document.*

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2018 should be entered as 05 September 2018. If the document is not published or not produced, please mark this question "n/a."*

Answer:

Status Of NCA Utilization (Report on Utilization of Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs FY 2018)

Status of NCA Utilization as of August 31, 2018 - 13 September 2018

as of July 31, 2018 - 14 August 2018

as of June 30, 2018 - 05 July 2018

as of May 31, 2018 - 19 September 2018

as of April 30, 2018 - 09 May 2018

as of March 31, 2018 - 19 September 2018

as of February 28, 2018 - 09 March 2018

Source:

DBM,  
<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Comment:

The monthly report for November 2018 was publicly available online on 12 December 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1309-2018-status-of-nca-utilization-as-of-november-2018>

The monthly report for October 2018 was publicly available online on 15 November 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1276-2018-status-of-nca-utilization-as-of-october-2018>

The monthly report for September 2018 was publicly available online on 12 October 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1238-2018-status-of-nca-utilization-as-of-september-2018>

The monthly report for August 2018 was publicly available online on 19 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1207-2018-status-of-nca-utilization-as-of-august-2018>

The monthly report for July 2018 was publicly available online on 15 August 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1150-2018-status-of-nca-utilization-as-of-july-2018>

The monthly report for June 2018 was publicly available online on 16 August 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1105-2018-status-of-disbursement-as-of-june-2018>

The monthly report for May 2018 was published late on 18 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1031-2018-status-of-nca-utilization-as-of-may-2018>

The monthly report for April 2018 was publicly available online on 16 July 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/967-2018-status-of-nca-utilization-as-of-april-2018>

The monthly report for March 2018 was published late on 4 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/792-2018-status-of-disbursement-as-of-march-2018>

The monthly report for February 2018 was publicly available online on 8 March 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/714-2018-status-of-disbursement-as-of-february-2018>

The monthly report for January 2018 was publicly available online on 10 February 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/596-2018-status-of-disbursement-as-of-january-31-2018>

The monthly report for December 2017 was publicly available online on 16 January 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/215-dbm-releases/2017-status-of-nca-utilization/461-2017-status-of-nca-utilization-as-of-december-2017>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-3b. In the box below, please explain how you determined the date of publication of the IYRs.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:

I visited the DBM website. From the DBM Releases drop-down menu, I chose the Status of NCA Utilization (IYR). I downloaded the monthly IYRs for 2018 and determined the date of publication by examining the document properties and creation date.

Source:

DBM, Status of NCA Utilization;  
<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-4. If the IYRs are published, what is the URL or weblink of the IYRs?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Researchers should provide the weblink to the most recent In-Year Report in the space below, and – in the comment box underneath – the weblinks to older IYRs.*

*If the document is not published at all, researchers should leave this question blank.*

Answer:

<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Source:

DBM, Status of NCA Utilization;

<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

The monthly report for November 2018 was publicly available online on 12 December 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1309-2018-status-of-nca-utilization-as-of-november-2018>

The monthly report for October 2018 was publicly available online on 15 November 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1276-2018-status-of-nca-utilization-as-of-october-2018>

The monthly report for September 2018 was publicly available online on 12 October 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1238-2018-status-of-nca-utilization-as-of-september-2018>

The monthly report for August 2018 was publicly available online on 19 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1207-2018-status-of-nca-utilization-as-of-august-2018>

The monthly report for July 2018 was publicly available online on 15 August 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1150-2018-status-of-nca-utilization-as-of-july-2018>

The monthly report for June 2018 was publicly available online on 16 August 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1105-2018-status-of-disbursement-as-of-june-2018>

The monthly report for May 2018 was published late on 18 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1031-2018-status-of-nca-utilization-as-of-may-2018>

The monthly report for April 2018 was publicly available online on 16 July 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/967-2018-status-of-nca-utilization-as-of-april-2018>

The monthly report for March 2018 was published late on 4 September 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/792-2018-status-of-disbursement-as-of-march-2018>

The monthly report for February 2018 was publicly available online on 8 March 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/714-2018-status-of-disbursement-as-of-february-2018>

The monthly report for January 2018 was publicly available online on 10 February 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/596-2018-status-of-disbursement-as-of-january-31-2018>

The monthly report for December 2017 was publicly available online on 16 January 2018 at: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/215-dbm-releases/2017-status-of-nca-utilization/461-2017-status-of-nca-utilization-as-of-december-2017>

Treasury, Cash Operations Statement, updated monthly [http://www.treasury.gov.ph/?page\\_id=4221](http://www.treasury.gov.ph/?page_id=4221)

The monthly report for September 2018 was publicly available online on 22 October 2018 at: <http://www.treasury.gov.ph/wp-content/uploads/2018/10/CORrevopen.pdf>

The monthly report for August 2018 was publicly available online on 24 September 2018 at: <http://www.treasury.gov.ph/wp-content/uploads/2018/09/CORrevopen.pdf>

The monthly report for July 2018 was publicly available online on 22 August 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/08/COR\\_revenue\\_monthly\\_open-1.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/08/COR_revenue_monthly_open-1.pdf)

The monthly report for June 2018 was publicly available online on 23 July 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/07/COR\\_revenue\\_mo\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/07/COR_revenue_mo_open.pdf)

The monthly report for May 2018 was publicly available online on 25 June 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/06/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/06/COR-Summary_open.pdf)

The monthly report for April 2018 was publicly available online on 24 May 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/05/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/05/COR-Summary_open.pdf)

The monthly report for March 2018 was publicly available online on 11 April 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary_open.pdf)

The monthly report for February 2018 was publicly available online on 22 March 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/03/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/03/COR-Summary_open.pdf)

The monthly report for January 2018 was publicly available online on 26 February 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/02/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/02/COR-Summary_open.pdf)

The monthly report for December 2017 was publicly available online on 15 January 2018 at: [http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary_open.pdf)

Comment:

NG Disbursement Performance: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/ng-disbursement-performance>

The monthly report for September 2018 was published late on 10 January 2019 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/September\\_2018\\_in%20billions.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/September_2018_in%20billions.pdf)

The monthly report for August 2018 was publicly available online on 3 November 2018 at: <https://www.dbm.gov.ph/images/banners/August-2018->



Table\_in-billions.pdf

The monthly report for July 2018 was publicly available online on 12 September 2018 at: [https://www.dbm.gov.ph/images/pdf/files/July-2018-Assessment\\_for-posting.pdf](https://www.dbm.gov.ph/images/pdf/files/July-2018-Assessment_for-posting.pdf)

The monthly report for June 2018 was publicly available online on 29 July 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/JUNE-2018-Assessment-Table\\_in-billions.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/JUNE-2018-Assessment-Table_in-billions.pdf)

The monthly report for May 2018 was publicly available online on 2 July 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/Assessment-Table\\_May-2018.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/Assessment-Table_May-2018.pdf)

The monthly report for April 2018 was publicly available online on 30 May 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/April%202018%20Assessment\\_for%20posting.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/April%202018%20Assessment_for%20posting.pdf)

The monthly report for March 2018 was publicly available online on 25 April 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/March%202018%20Assessment\\_in%20billions.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/March%202018%20Assessment_in%20billions.pdf)

The monthly report for February 2018 was publicly available online on 25 April 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/February%202018%20Assessment\\_for%20posting.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2018/February%202018%20Assessment_for%20posting.pdf)

The monthly report for January 2018 was not published by the OBS research cut-off date.

The monthly report for December 2017 was publicly available online on 11 March 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/Highlights-of-NG-Disbursements\\_as-of-December-2017\\_for-posting.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/Highlights-of-NG-Disbursements_as-of-December-2017_for-posting.pdf)

The monthly report for November 2017 was publicly available online on 2 January 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/November%202017%20Disbursements\\_in%20billions.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/November%202017%20Disbursements_in%20billions.pdf)

The monthly report for October 2017 was publicly available online on 5 December 2017 at: [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/October%202017%20Assessment\\_for%20posting.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/October%202017%20Assessment_for%20posting.pdf)

DBM, Statement of Allotment, Obligation and Balances

<https://www.dbm.gov.ph/index.php/programs-projects/statement-of-allotment-obligation-and-balances#saob-fy-2018>

The quarterly report for September 2018 was publicly available online on 13 November 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/e-Fund\\_Releases/SAOB2018/3rdQuarter/Q3\\_SAAODB-Updated\\_Nov.\\_7.\\_2018-SUMMARY.pdf](https://www.dbm.gov.ph/wp-content/uploads/e-Fund_Releases/SAOB2018/3rdQuarter/Q3_SAAODB-Updated_Nov._7._2018-SUMMARY.pdf)

The quarterly report for June 2018 was publicly available online on 23 August 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/e-Fund\\_Releases/SAOB2018/2ndQuarter/2018\\_SAAODB-Q2-By\\_Department.pdf](https://www.dbm.gov.ph/wp-content/uploads/e-Fund_Releases/SAOB2018/2ndQuarter/2018_SAAODB-Q2-By_Department.pdf)

The quarterly report for March 2018 was publicly available online on 31 May 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/e-Fund\\_Releases/SAOB2018/1stQuarter/2018%20SAAODB-Q1-SUMMARY.pdf](https://www.dbm.gov.ph/wp-content/uploads/e-Fund_Releases/SAOB2018/1stQuarter/2018%20SAAODB-Q1-SUMMARY.pdf)

The quarterly report for December 2017 was publicly available online on 16 March 2018 at: [https://www.dbm.gov.ph/wp-content/uploads/e-Fund\\_Releases/SAOB2017/4thQuarter/2017%20SAAODB-SUMMARY-Q4-As%20of%20March%2014,%202018%20submissions.pdf](https://www.dbm.gov.ph/wp-content/uploads/e-Fund_Releases/SAOB2017/4thQuarter/2017%20SAAODB-SUMMARY-Q4-As%20of%20March%2014,%202018%20submissions.pdf)

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-5. If the IYRs are published, are the numerical data contained in the IYRs available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>*

*Option "d" applies if the IYRs are not published or not produced, therefore their machine readability cannot be assessed.*

Answer:

a. Yes, all of the numerical data are available in a machine readable format

Source:

DBM, Status of NCA Utilization;  
<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-6a. If the IYRs are not publicly available, are they still produced?

*If the IYRs are not considered publicly available under the OBS methodology (and thus the answer to Question IYRs-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question IYRs-2).*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

DBM, Status of NCA Utilization;  
<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-6b. If you selected option "c" or "d" in question IYRs-6a, please specify how you determined whether the IYRs were produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question IYRs-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

IYRs-7. If the IYRs are produced, please write the full title of the IYRs.

*For example, a title for the In-Year Report could be "Budget Monitoring Report, Quarter 1" or "Budget Execution Report January-March 2018."*

If In-Year Reports are not produced at all, researchers should mark this question "n/a."

Researchers should provide the full title of the most recent In-Year Report in the space below, and – in the comment box underneath – the full titles of older IYRs.

Answer:

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of August 31, 2018

Source:

DBM, Status of NCA Utilization;

<https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

Comment:

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of July 31, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of June 30, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of May 31, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of April 30, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of March 31, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of February 28, 2018

Report on the Utilization or Cash Allocation for National Government Agencies, Budgetary Support to GOCCs and LGUs, as of January 31, 2018

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IYRs-8. Is there a "citizens version" of the IYRs?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.*

Answer:

b. No

Source:

Comment:

Peer Reviewer

Opinion: Agree

Comments: It's probably worth noting that the media on occasion utilize these numbers, since they are so available and easy to understand.

Government Reviewer

Opinion: Agree

MYR-1. What is the fiscal year of the MYR evaluated in this Open Budget Survey questionnaire?

Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

Answer:  
FY 2018

Source:  
DBM, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

MYR-2. When is the MYR made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for an MYR to be considered publicly available, it must be made available to the public no later than three months after the reporting period ends (i.e., three months after the midpoint of the fiscal year). If the MYR is not released to the public at least three months after the reporting period ends, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the MYR.*

Answer:  
c. More than nine weeks, but less than three months, after the midpoint

Source:  
Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

MYR-3a. If the MYR is published, what is the date of publication of the MYR?

*Note that the date of publication is not necessarily the same date that is printed on the document.*

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:  
28/9/2018

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-3b. In the box below, please explain how you determined the date of publication of the MYR.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:

I visited the DBM website. From the DBCC Matters drop-down menu, I chose Reports and then clicked on the Mid-Year Report on the 2018 National Budget. I checked the document properties and creation date of the MYR.

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-4. If the MYR is published, what is the URL or weblink of the MYR?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

Answer:

<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

The Mid-Year Report was published on September 28, 2018.

Peer Reviewer

Opinion: Agree

Comments: An update was published in November to reflect changes in Balance of Payments performance (it was clearly marked as an update).

Government Reviewer

Opinion: Agree

MYR-5. If the MYR is published, are the numerical data contained in the MYR available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>.*

*Option "d" applies if the MYR is not published or not produced, therefore its machine readability cannot be assessed.*

Answer:

c. No

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget; 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-6a. If the MYR is not publicly available, is it still produced?

*If the MYR is not considered publicly available under the OBS methodology (and thus the answer to Question MYR-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question MYR-2).*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-6b. If you selected option "c" or "d" in question MYR-6a, please specify how you determined whether the MYR was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question MYR-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer

Opinion:

Government Reviewer

Opinion:

MYR-7. If the MYR is produced, please write the full title of the MYR.

*For example, a title for the Mid-Year Review could be "Semi-annual Budget Performance Report, FY 2017/18" or "Mid-Year Report on the 2018 National Budget."*

*If the document is not produced at all, researchers should mark this question "n/a."*

Answer:

Mid-Year Report on the 2018 National Budget

Source:

Development Budget Coordination Committee, Mid-Year Report on the 2018 National Budget, 28 September 2018;  
<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

MYR-8. Is there a "citizens version" of the MYR?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.*

Answer:

b. No

Source:

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-1. What is the fiscal year of the YER evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

Answer:  
FY 2017

Source:  
Development Budget Coordination Committee, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-2. When is the YER made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for an YER to be considered publicly available, it must be made available to the public no later than one year after the fiscal year to which it corresponds. If the YER is not released to the public within one year after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the YER.*

Answer:  
b. Nine months or less, but more than six months, after the end of the budget year

Source:  
Development Budget Coordination Committee, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:  
A financial statement is also released on budget execution. FY 2017 Annual Financial Report for National Government, Vol. I-II:  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>, 25 October 2018

Peer Reviewer  
Opinion: Agree

Government Reviewer



Opinion: Agree

YER-3a. If the YER is published, what is the date of publication of the YER?

*Note that the date of publication is not necessarily the same date that is printed on the document. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:  
16/8/2018

Source:  
Development Budget Coordination Committee, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-3b. In the box below, please explain how you determined the date of publication of the YER.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:  
I visited the official DBM website. From the DBCC Matters drop-down menu, I chose Reports and clicked Annual Fiscal Report. I downloaded FY 2017 Annual Fiscal Report and from the document properties, I determined the creation date as the date of publication of the YER.

Source:  
DBM, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-4. If the YER is published, what is the URL or weblink of the YER?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

Answer:  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Source:  
DBM, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:  
A financial statement is also released on budget execution. FY 2017 Annual Financial Report for National Government, Vol. I-II:  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>, 25 October 2018

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-5. If the YER is published, are the numerical data contained in the YER available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>*

*Option "d" applies if the YER is not published or not produced, therefore its machine readability cannot be assessed.*

Answer:  
c. No

Source:  
DBM, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-6a. If the YER is not publicly available, is it still produced?

*If the YER is not considered publicly available under the OBS methodology (and thus the answer to Question YER-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question YER-2)*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:  
e. Not applicable (the document is publicly available)

Source:  
DBM, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-6b. If you selected option "c" or "d" in question YER-6a, please specify how you determined whether the YER was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question YER-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer  
Opinion:

Government Reviewer  
Opinion:

YER-7. If the YER is produced, please write the full title of the YER.

*For example, a title for the Year-End Report could be "Consolidated Financial Statement for the Year Ended 31 March 2018" or "Annual Report 2017 Published by the Ministry of Finance and Planning." If the document is not produced at all, researchers should mark this question "n/a."*

Answer:  
FY 2017 Annual Fiscal Report

Source:  
DBM, FY 2017 Annual Fiscal Report, 16 August 2018;  
[https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

YER-8. Is there a "citizens version" of the YER?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.*

Answer:

b. No

Source:

DBM, 2019 People's Budget

Comment:

Peer Reviewer

Opinion: Agree

Comments: A very short review of disbursements for FY2017 was produced, but not enough is there to count as a citizen's version of the year end report. [https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/Highlights-of-NG-Disbursements\\_as-of-December-2017\\_for-posting.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC/2017/Highlights-of-NG-Disbursements_as-of-December-2017_for-posting.pdf)

Government Reviewer

Opinion: Agree

Researcher Response

There is agreement that there is no citizens version of the YER.

AR-1. What is the fiscal year of the AR evaluated in this Open Budget Survey questionnaire?

*Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."*

Answer:

FY 2017

Source:

Commission on Audit (COA), FY 2017 Annual Financial Report for the National Government, 25 October 2018; <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017#>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report (AFR) is just the summary of the AARs. All AARs of National Government Agencies are released not later than June 30 or within six months after the end of the fiscal year. On the other hand, the AFR is required to be submitted to the President and the Congress not later than the last day of September of each year pursuant to Section 41 of Presidential Decree No. 1445. Weblinks: FY 2017 Annual Audit Reports of National Government Agencies <https://www.coa.gov.ph/index.php/national-government-agencies/2017> Presidential Decree No. 1445 <https://www.coa.gov.ph/phocadownload/userupload/issuances/rules-and-regulations/PD1445.pdf>

Researcher Response

There is agreement that FY 2017 is the appropriate answer.

AR-2. When is the AR made available to the public?

*Publicly available budget documents are defined as those documents that are published on the website of the public authority issuing the document within the time frame specified in the OBS methodology and that all citizens are able to obtain free of charge. (See the Open Budget Survey Guidelines on Public Availability of Budget Documents.) This is a change from previous rounds of the Open Budget Survey: now at minimum documents must be made available on the Internet and free of charge to be considered publicly available.*

*The OBS methodology requires that for an AR to be considered publicly available, it must be made available to the public no later than 18 months after the end of the fiscal year to which it corresponds. If the AR is not released to the public at least 18 months after the end of the fiscal year to which it corresponds, option "d" applies. Option "d" should also be chosen for documents that are produced for internal purposes only (that is, produced but never released to the public) or are not produced at all. Some governments may publish budget documents further in advance than the latest possible dates outlined above. In these instances, researchers should choose options "a" or "b," depending on the date of publication identified for the AR.*

Answer:

b. 12 months or less, but more than six months, after the end of the budget year

Source:

COA, FY 2017 Annual Financial Report for the National Government, Vol. I-II, 25 October 2018;  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017#>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: a. Six months or less after the end of the budget year

Comments: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report just the summary of the AARs. All AARs of National Government Agencies are released not later than June 30 or within six months after the end of the fiscal year. Some AARs are published in the COA website within six months after the end of the budget year: 1. Department of Energy, published May 24, 2018 <https://www.coa.gov.ph/index.php/national-government-agencies/2017/category/6873-department-of-energy> 2. Department of Justice, published May 24, 2018 <https://www.coa.gov.ph/index.php/national-government-agencies/2017/category/6822-department-of-justice> 3. Department of National Defense, published May 11, 2018 <https://www.coa.gov.ph/index.php/national-government-agencies/2017/category/6823-department-of-national-defense>

Researcher Response

The AAR for the Department of Agrarian Reform was published on October 15, 2018 or more than six months after the end of the budget year.  
<https://www.coa.gov.ph/index.php/national-government-agencies/2017/category/7174-department-of-agrarian-reform>

AR-3a. If the AR is published, what is the date of publication of the AR?

*Note that the date of publication is not necessarily the same date that is printed on the document. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late.*

*Please enter the date in the following format: "DD/MM/YYYY." For example, 5 September 2018 should be entered as 05/09/2018. If the document is not published or not produced, leave this question blank.*

Answer:

25/10/2018

Source:

COA, FY 2017 Annual Financial Report for the National Government, Vol. I-II, 25 October 2018;  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017#>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report is just the summary of the AARs. All AARs of National Government Agencies are released not later than June 30 or within six months after the end of the fiscal year. Weblink: <https://www.coa.gov.ph/index.php/national-government-agencies/2017>

IBP Comment

Thank you to the Government Reviewer for the comment. Please see the response in AR-2.

AR-3b. In the box below, please explain how you determined the date of publication of the AR.

*If the document is not published at all, researchers should mark this question "n/a."*

Answer:

I visited the official COA website. From the Report drop-down menu, I chose Annual Financial Reports and then clicked National Government Agencies and FY 2017.

Source:

COA, FY 2017 Annual Financial Report for the National Government, Vol. I-II, 25 October 2018; <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017#>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report is just the summary of the AARs. Weblink: <https://www.coa.gov.ph/index.php/national-government-agencies/2017>

IBP Comment

Thank you to the government reviewer for their comment. Please refer to the responses to AR-2 and AR-3a.

AR-4. If the AR is published, what is the URL or weblink of the AR?

*Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should leave this question blank.*

Answer:

<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Source:

COA, FY 2017 Annual Financial Report, Vol. I-II, 25 October 2018; <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: <https://www.coa.gov.ph/index.php/national-government-agencies/2017>

Comments: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report is just the summary of the AARs.

IBP Comment

Thank you to the government reviewer for their comment. Please refer to the responses to AR-2 and AR-3a.

AR-5. If the AR is published, are the numerical data contained in the AR available in a machine readable format?

*Material (data or content) is machine readable if it is in a format that can be easily processed by a computer, such as .csv, .xls/.xlsx, and .json. Numerical data found in PDFs and Word (.doc/.docx) files do not qualify as machine readable. See more at: <http://opendatahandbook.org/glossary/en/terms/machine-readable/>*

*Option "d" applies if the AR is not published or not produced, therefore its machine readability cannot be assessed.*

Answer:

c. No

Source:

COA, FY 2017 Annual Financial Report, Vol. I-II, 25 October 2018;  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Comment:

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

AR-6a. If the AR is not publicly available, is it still produced?

*If the AR is not considered publicly available under the OBS methodology (and thus the answer to Question AR-2 was "d"), a government may nonetheless produce the document.*

*Option "a" applies if the document is produced and made available to the public online but not within the time frame specified in the OBS methodology (see Question AR-2).*

*Option "b" applies if the document is produced and made available to the public within the time frame specified by the OBS methodology but only in hard copy (and is not available online). Option "b" also applies if the document is made available to the public within the time frame specified by the OBS methodology in soft electronic copy but is not available online.*

*Option "c" applies if the document is produced for internal purposes only and so is not made available to the public.*

*Option "d" applies if the document is not produced at all.*

*Option "e" applies if the document is publicly available.*

*If a document is not released to the public, researchers may need to write to or visit the relevant government office in order to determine whether answer "c" or "d" applies.*

Answer:

e. Not applicable (the document is publicly available)

Source:

COA, FY 2017 Annual Financial Report for the National Government, Vol. I-II, 25 October 2018;  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

AR-6b. If you selected option "c" or "d" in question AR-6a, please specify how you determined whether the AR was produced for internal use only, versus not produced at all.

*If option "a," "b," or "e" was selected in question AR-6a, researchers should mark this question "n/a."*

Answer:

Source:

Comment:

Peer Reviewer  
Opinion:

Government Reviewer  
Opinion:

AR-7. If the AR is produced, please write the full title of the AR.

*For example, a title for the Audit Report could be "Annual General Reports of the Controller and Auditor General." If the document is not produced at all, researchers should mark this question "n/a."*

Answer:

FY 2017 Annual Financial Report for the National Government

Source:

COA, FY 2017 Annual Financial Report for the National Government, Vol. I-II, 25 October 2018;  
<https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree  
Comments: FY 2017 Annual Audit Reports of National Government Agencies Weblink: <https://www.coa.gov.ph/index.php/national-government-agencies/2017>

AR-8. Is there a "citizens version" of the AR?

*While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle. While it is recognized that it may be unreasonable to*



expect that a citizens version is produced for each and every one of those key documents, it seems acceptable to expect that according to good practice, the executive releases a citizens version of key budget documents for each of the four stages of the budget process to allow citizens to be aware of what is happening, in terms of public financial management, throughout the entire budget cycle. For more information on Citizens Budget see: <http://www.internationalbudget.org/opening-budgets/citizens-budgets/>.

Answer:  
b. No

Source:  
<https://www.coa.gov.ph/index.php>

Comment:

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Disagree  
Suggested Answer: a. Yes  
Comments: The Commission on Audit publishes an Audit-in-Brief of the report on the Citizens' Participatory Audit. Weblink:  
<https://cpa.coa.gov.ph/cpa-wash-cagayan-de-oro-2017/>

Researcher Response  
The revised answer is "Yes". The Commission on Audit publishes an Audit-in-Brief of the report on the Citizens' Participatory Audit.  
<https://cpa.coa.gov.ph/cpa-wash-cagayan-de-oro-2017/>

IBP Comment  
The link provided by the government reviewer is noted, as is the researcher's confirmation that this is a CB of an audit report. However, as in this question the Audit Report refers specifically to the audit of the whole-of-government financial accounts, this audit of a WASH report does not qualify for this question. The original score of B is maintained.

GQ-1a. Are there one or more websites or web portals for disseminating government fiscal information? If yes, please provide the necessary links in the comment/citation.

*GQ-1a asks the researcher to list any government websites or portals where fiscal information can be found. For example, in New Zealand the Treasury website (<http://www.treasury.govt.nz/>) hosts important budget-related information, including the Pre-Budget Statement, the Executive's Budget Proposal, the Citizens Budget, In-Year Reports, the Mid-Year Review, and the Year-End Report. In addition, New Zealand's Parliamentary Counsel Office (<http://www.legislation.govt.nz/>) posts the Enacted Budget while the Controller and Auditor-General website (<http://www.oag.govt.nz/>) publishes the annual Audit Report. The New Zealand researcher would provide the links to each of these sites. Other countries have developed portals that include fiscal information, though not in the "documents" format. For example, these portals have been created by Mexico (<https://www.transparenciapresupuestaria.gob.mx/>) and Brazil (<http://www.portaltransparencia.gov.br/>). Some countries have both a website and a portal. The Brazilian government, for example, apart from the Transparency Portal, has a dedicated website for the federal budget, where all key documents and other information can be found ([www.orcamentofederal.gov.br](http://www.orcamentofederal.gov.br)). Researchers should include details about all of the relevant websites and/or portals that they can be used to access budget information.*

Answer:  
a. Yes

Source:  
Department of Budget and Management website: <https://www.dbm.gov.ph/>  
Commission on Audit website: <https://www.coa.gov.ph/index.php/>  
Bureau of Treasury website: <http://www.treasury.gov.ph/>  
Department of Finance website: <https://www.dof.gov.ph/>

Comment:  
There are several websites for disseminating government fiscal information.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

GQ-1b. On these websites/portals, can revenue and/or expenditure data for the current fiscal year be downloaded as a consolidated file (or set of files)? If yes, please provide the necessary links in the comment/citation.

*GQ-1b, GQ-1c, and GQ-1d ask about whether governments publish specific types of content on their websites/portals: (a) consolidated files that contain revenue and/or expenditure information for the current fiscal year; (b) consolidated files that contain revenue and/or expenditure information for multiple years in consistent formats; and (c) infographics/visualizations or other similar tools used to simplify data access and analysis. Researchers should provide the links to relevant webpages and some explanations of what they contain.*

Answer:

a. Yes, both revenue and expenditure data can be downloaded as a consolidated file

Source:

Budget of Expenditures and Sources of Financing FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

BESF (multiple years): <https://www.dbm.gov.ph/index.php/dbm-publications/budget-of-expenditures-and-sources-of-financing-besf>

2019 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

<http://www.dbm.gov.ph/wp-content/uploads/NEP%202019/NEP-2019.xls>

Comment:

The Budget of Expenditures and Sources of Financing (BESF) FY 2019 contains consolidated files on revenue and expenditure information for the current fiscal year. The BESF contains consolidated files of revenue and expenditure information for multiple years in consistent formats. The government also publishes the Citizens Budget that contains infographics/visualizations and other tools to simplify data access and analysis.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-1c. On these websites/portals, can consolidated revenue and/or expenditure data be downloaded for multiple years in consistent formats? If yes, please provide the necessary links and details in the comment/citation.

Answer:

a. Yes, both revenue and expenditure data can be downloaded for multiple years in consistent formats

Source:

Budget of Expenditures and Sources of Financing (BESF, multiple years): <https://www.dbm.gov.ph/index.php/dbm-publications/budget-of-expenditures-and-sources-of-financing-besf>

Comment:

Both revenue and expenditure data are found in the BESF that can be downloaded for multiple years in consistent formats.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-1d. On these websites/portals, are infographics/visualizations or other similar tools used to simplify data access and analysis? If yes, please provide the necessary links and details in the comment/citation.

Answer:

a. Yes

Source:

2019 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

Comment:

The government publishes the Citizens Budget that contains infographics/visualizations and other tools to simplify data access and analysis.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-2. Are there laws in place guiding public financial management and/or auditing? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where the law(s) contains specific provisions for budget transparency and/or participation.

*GQ-2 asks about the existence of any national laws governing public financial management and auditing. These may include a public finance act, a section of the constitution, or an organic budget law. In some countries, fiscal responsibility legislation may also be relevant. For example, the Kenya researcher may include the link to its Public Finance Management Act, 2012 (<http://www.kenyalaw.org/lex/actview.xql?actid=No.%2018%20of%202012>), and the Macedonian researcher may include a link to its State Audit Law (<https://www.finance.gov.mk/files/u11/Audit%20law.pdf>). Researchers should provide links to websites where such laws are published, if possible, or an electronic copy of the law itself. They should also indicate if and where (e.g. which article) these laws include specific provisions for budget transparency and citizen participation in budget processes.*

Answer:

a. Yes

Source:

RA 992 or the Revised Budget Act of 1954: <https://thecorpusjuris.com/legislative/republic-acts/ra-no-992.php>

PD 1177 or Budget Reform Decree of 1977: [https://www.gppb.gov.ph/laws/laws/PD\\_1177.pdf](https://www.gppb.gov.ph/laws/laws/PD_1177.pdf)

Executive Order No. 292 or the Administrative Code of 1987: <https://www.officialgazette.gov.ph/1987/07/25/executive-order-no-292-s-1987/>

RA 7160 or the Local Government Code of 1991: <http://www.officialgazette.gov.ph/downloads/1991/10oct/19911010-RA-7160-CCA.pdf>

Comment:

There are various laws guiding public financial management and/or auditing.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

GQ-3. Are there additional laws regulating: (1) access to information; (2) government transparency; or (3) citizens participation? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where these laws contain specific provisions for budget transparency and/or

participation.

*The third and last question asks researchers to list any additional laws regulating access to information, transparency, or citizens' participation that are relevant for the promotion of budget transparency and citizen participation in budget processes. These might include legislation related to access to information, to planning processes, or to public administration more generally. India's Right to Information Act of 2005 (<https://www.ncess.gov.in/facilities/central-public-information-officer/rti-act-details.html>) is an example of this type of law. More information on access to information legislation (constitutional provisions, laws, and regulations), including examples of model laws, can be found here: <http://www.right2info.org/laws/constitutional-provisions-laws-and-regulations#section-1>.*

Answer:

a. Yes

Source:

Executive Order No. 2, series of 2016 (Operationalization of Freedom of Information in the Executive Branch): <https://www.officialgazette.gov.ph/2016/07/23/executive-order-no-02-s-2016/>

RA 7160 or the Local Government Code of 1991: <http://www.officialgazette.gov.ph/downloads/1991/10oct/19911010-RA-7160-CCA.pdf>

Executive Order No. 9, series of 2016 (Creation of the Office of Participatory Governance): <http://www.officialgazette.gov.ph/downloads/2016/12dec/20161201-EO-9-RRD.pdf>

Annual General Appropriations Act: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

Comment:

There are additional laws regulating access to information, government transparency and citizen's participation.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Additional policy issuances: The Constitution of the Republic of the Philippines <https://www.officialgazette.gov.ph/constitutions/1987-constitution/> Executive Order No. 325, s. 1996 (Reorganization of the Regional Development Councils) <https://www.officialgazette.gov.ph/1996/04/12/executive-order-no-325-s-1996/> Executive Order No. 24 s. 2017 (Reorganizing the Cabinet Clusters System by Integrating Good Governance and Anti-Corruption in the Policy Frameworks of All Clusters and Creating the Infrastructure Cluster and Participatory Governance Cluster)

1. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

*GUIDELINES:*

*Question 1 addresses the presentation of expenditure by administrative unit. This information indicates which government entity (ministry, department, or agency, or MDAs) will be responsible for spending the funds and, ultimately, held accountable for their use.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all administrative units, accounting for all expenditures, in the budget year. To answer "b," the administrative units shown individually, in the Executive's Budget Proposal or its supporting documentation, must account for at least two-thirds of all expenditures in the budget year. In other words, the sum of the expenditures assigned to the individual MDAs (education, health, infrastructure, interior, defense, etc.) must account for at least two-thirds of the total expenditure budgeted for that particular year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents administrative units that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by administrative unit.*

Answer:

a. Yes, administrative units accounting for all expenditures are presented.

Source:

Table B.2, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 130-254: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B2.pdf>

Table 1 to XXXV, National Expenditure Program (NEP) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Comment:

The 2019 Executive's Budget Proposal provides expenditures that are classified by administrative units. This can be found in Table B.2 of the BESF

FY 2019. Tables I to XXXV of the NEP FY 2019 also provide expenditures by administrative units.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

2. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by functional classification?

*GUIDELINES:*

*Question 2 addresses the presentation of expenditure by functional classification. This classification indicates the programmatic purpose, sector, or objective for which the funds will be used, such as health, education, or defense. Administrative units are not necessarily aligned with functional classifications. For instance, in one country all functions connected with water supply (which fall into the "Housing" function) may be undertaken by a single government agency, while in another country they may be distributed across the Ministries of Environment, Housing, and Industrial Development. In the latter case, three ministries have programs addressing water supply, so three ministries contribute to one function. Similarly, some administrative units may conduct activities that cut across more than one function. For instance, in the example above, some programs of the Ministry of Environment would also be classified in the "environmental protection" function.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by functional classification.*

Answer:

a. Yes, expenditures are presented by functional classification.

Source:

Table B.5.a, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 295-305: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5a.pdf>

Comment:

The 2019 Executive's Budget Proposal presents expenditures by function. This classification can be found in the BESF FY 2019, specifically in Table B.5.a titled "Details of Sectoral Allocation of National Government Expenditures, FYs 2017-2019."

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

3. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by functional classification, is the functional classification compatible with international standards?

*GUIDELINES:*

*Question 3 asks whether a country's functional classification meets international standards. To answer "a," a country's functional classification must be aligned with the OECD and the UN's Classification of the Functions of Government (COFOG), or provide a cross-walk between the national functional presentation and COFOG.*

*The OECD Best Practices for Budget Transparency can be viewed at <http://www.oecd.org/gov/budgeting/Best%20Practices%20Budget%20Transparency%20-%20complete%20with%20cover%20page.pdf>*

*COFOG can be viewed at [https://unstats.un.org/unsd/publication/SeriesM/SeriesM\\_84E.pdf](https://unstats.un.org/unsd/publication/SeriesM/SeriesM_84E.pdf) or at <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/ch6ann.pdf>.*

Answer:

a. Yes, the functional classification is compatible with international standards.

Source:

Table 2, Sectoral Allocation under the COFOG, 2017-2019, in Technical Notes on the 2019 Proposed National Budget, p. 23:  
<https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

Table 2 (page 23) presents the Sectoral Allocation under the COFOG for 2017-2019.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

4. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by economic classification?

*GUIDELINES:*

*Question 4 asks whether the Executive's Budget Proposal or its supporting documentation presents expenditures for the budget year organized by economic classification. Economic classification provides information on the nature of the expenditure, such as whether funds are being used to pay for wages and salaries, capital projects, or social assistance benefits.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for the budget year organized by economic classification.*

Answer:

a. Yes, expenditures are presented by economic classification.

Source:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Comment:

The 2019 Executive's Budget Proposal presents expenditures by economic classification. This can be found in the BESF FY 2019, specifically in Table B.1 titled "Expenditure Program, By Object, FY 2019."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

5. If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by economic classification, is the economic classification compatible with international standards?

*GUIDELINES:*

*Question 5 asks whether a country's economic classification meets international standards. To answer "a," a country's economic classification must be consistent with the International Monetary Fund's (IMF) 2001 Government Finance Statistics (GFS). The GFS economic classification is presented here: <http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>. To learn more about Government Finance Statistics also refer to the entire IMF 2001 GFS manual (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/all.pdf>).*

Answer:

b. No, the economic classification is not compatible with international standards, or expenditures are not presented by economic classification.

Source:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Comment:

The 2019 Executive's Budget Proposal presents expenditures by economic purpose. This can be found in the BESF FY 2019, specifically in Table B.1 titled "Expenditure Program, By Object, FY 2019." It categorizes expenditures by personnel expenses, maintenance and other operating expenses, financial expenses and capital outlays. The classification is not fully compatible with the standards set in the IMF 2001 Government Finance Statistics Manual which lists 8 categories.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

6. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the budget year?

*GUIDELINES:*

*Question 6 asks whether expenditures are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should treat the term "program" as meaning any level of detail below an administrative unit – that is, any programmatic grouping that is below the ministry, department, or agency level. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, in the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures in the budget year. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.*

*Budget decisions for the upcoming year can also affect the parameters of future budgets. It is therefore useful to estimate revenues and expenditures for multi-year periods, understanding that these estimates might be revised as circumstances change. Sometimes referred to as a Medium Term Expenditure Framework (MTEF), a three-year period – that is, the budget year plus two more years – is generally considered an appropriate horizon for budgeting and planning.*

Answer:

a. Yes, programs accounting for all expenditures are presented.

Source:

National Expenditure Program (NEP) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Technical Notes on the 2019 Proposed National Budget, page 26: <https://www.dbm.gov.ph/wp-content/uploads/Our%20Budget/2019/Technical-Notes-on-the-2019-Proposed-National-Budget.pdf>

Comment:

The NEP FY 2019 presents expenditures for all individual programs. The Technical Notes on the 2019 Proposed National Budget presents on page 26 how the Special Purpose Funds are to be used by programs.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

7. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

*GUIDELINES:*

*Question 7 asks if multi-year expenditure estimates are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates by all three of the expenditure classifications for at least two years beyond the budget year. To answer "b," multi-year expenditure estimates must be presented by two of these three classifications. A "c" answer applies if multi-year expenditure estimates are presented by one of the three classifications. Answer "d" applies if multi-year expenditure estimates are not presented by any of the three classifications.*

Answer:

c. Yes, multi-year expenditure estimates are presented by only one of the three expenditure classifications.

Source:

Technical Notes on the 2019 Proposed National Budget, p. 14: <https://www.dbm.gov.ph/wp-content/uploads/Our%20Budget/2019/Technical-Notes-on-the-2019-Proposed-National-Budget.pdf>

Comment:

The 2019 Executive's Budget Proposal (EBP) and its supporting documentation present expenditure estimates by economic classification. This can be found in Table 7: Medium-Term Fiscal Program in the Technical Notes on the 2019 Proposed National Budget, p. 14.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

7b. Based on the response to Question 7, check the box(es) to identify which expenditure classifications have estimates for a multi-year period in the Executive's Budget Proposal:

Answer:

Economic classification

Source:

Technical Notes on the 2019 Proposed National Budget, p. 14: <https://www.dbm.gov.ph/wp-content/uploads/Our%20Budget/2019/Technical-Notes-on-the-2019-Proposed-National-Budget.pdf>

Comment:

The 2019 Executive's Budget Proposal (EBP) and its supporting documentation present expenditure estimates by economic classification. This can be found in Table 7: Medium-Term Fiscal Program in the Technical Notes on the 2019 Proposed National Budget, p. 14.

Peer Reviewer

Opinion: Agree

Comments:

Government Reviewer

Opinion: Agree

8. Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by program?



**GUIDELINES:**

Question 8 asks if multi-year expenditure estimates are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.

A note for francophone countries: "Program" level detail is sometimes referred to as *le plan comptable* or *le plan comptable detaillé*. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)

To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for at least two years beyond the budget year. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures over the multi-year period. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates for programs that account for less than two-thirds of expenditures. Answer "d" applies if multi-year estimates are not presented by program.

Revenues generally are separated into two major categories: "tax" and "non-tax" revenues. Taxes are compulsory transfers that result from government exercising its sovereign power. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes. The category of non-tax revenues is more diverse, ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services. Note that some forms of revenue, such as contributions to social security funds, can be considered either a tax or non-tax revenue depending on the nature of the approach to these contributions. Particularly because different revenues have different characteristics, including who bears the burden of paying the tax and how collections are affected by economic conditions, it is helpful when estimates for revenues are disaggregated and displayed based on their sources.

For more information, please refer to the 2001 GFS manual, in particular Appendix 4 (<http://www.imf.org/external/pubs/ft/gfs/manual/pdf/app4.pdf>).

**Answer:**

d. No, multi-year estimates for programs are not presented.

**Source:**

Table B.5.a, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 295-305: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5a.pdf>

**Comment:**

Multi-year estimates are not presented by program.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

9. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of tax revenue (such as income tax or VAT) for the budget year?

**GUIDELINES:**

Question 9 assesses the degree to which the individual sources of "tax" revenue are disaggregated in the budget. The largest sources of tax revenue in some countries are taxes on personal and business income and taxes on goods and services, such as sales or value-added taxes.

To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of tax revenue that when combined account for at least two-thirds of all tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of tax revenue that account for less than two-thirds of tax revenues. Answer "d" applies if individual sources of tax revenue are not presented.

**Answer:**

a. Yes, individual sources of tax revenue accounting for all tax revenue are presented.

**Source:**

Table C.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 458-459: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf>

**Comment:**

The Executive's Budget Proposal present all individual sources of tax revenue for the budget year, and "other" or "miscellaneous" revenue account for three percent or less of all tax revenue. This can be found in the BESF FY 2019, specifically Table C.3 titled "Tax Revenue Program, By Collecting Department/Agency, By Source, FY 2017-2021." The "other" revenue accounts for only 0.7 % of taxes.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

10. Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of non-tax revenue (such as grants, property income, and sales of government-produced goods and services) for the budget year?

**GUIDELINES:**

*Question 10 assesses the degree to which the individual sources of "non-tax" revenue are disaggregated in the budget. The category of non-tax revenues is diverse, and can include revenue ranging from grants from international institutions and foreign governments to funds raised through the sale of government-provided goods and services.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present all individual sources of non-tax revenue for the budget year, and "other" or "miscellaneous" revenue must account for three percent or less of all non-tax revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present individual sources of non-tax revenue that when combined account for at least two-thirds of all non-tax revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents individual sources of non-tax revenue that account for less than two-thirds of non-tax revenues. Answer "d" applies if individual sources of non-tax revenue are not presented.*

**Answer:**

b. Yes, individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented.

**Source:**

Table C.4, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 460-473: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

**Comment:**

The Executive's Budget Proposal present all individual sources of non-tax revenue for the budget year, and "other" or "miscellaneous" revenue account for more three percent of all non-tax revenue. Specifically, the line item "Other Non-Tax Revenues" under Bureau of Treasury accounts for 18% of total Non-Tax revenues.

This can be found in the BESF FY 2019, specifically Table C.4 titled "Non-Tax Revenue Program, By Collecting Department/Agency, By Source, 2017-2021."

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

11. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for a multi-year period (at least two-years beyond the budget year)?

**GUIDELINES:**

*Question 11 evaluates whether revenue estimates are presented for a multi-year period (at least two years beyond the budget year) by "category," that is, whether tax and non-tax sources of revenue are shown separately.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of revenues classified by category for at least two years following the budget year in question.*

**Answer:**

a. Yes, multi-year estimates of revenue are presented by category.

Source:

Table A.2, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 2: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/A2.pdf>

Comment:

The Executive's Budget Proposal present multi-year estimates of revenues classified by category for at least two years following the budget year. This can be found in the BESF FY 2019, specifically in Table A.2 titled "National Government Fiscal Program, FY 2017-2021."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: Aside from Table A.2 of the FY 2019 BESF, Tables C.1 to C.4 also present multi-year revenues estimates by category (tax and non-tax).

Weblinks: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C1.pdf> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C2.pdf> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

12. Does the Executive's Budget Proposal or any supporting budget documentation present estimates for individual sources of revenue presented for a multi-year period (at least two-years beyond the budget year)?

**GUIDELINES:**

*Question 12 evaluates whether revenue estimates for individual sources of revenue are presented for a multi-year period (at least two years beyond the budget year). The question applies to both tax and non-tax revenue.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Executive's Budget Proposal or its supporting documentation must present multi-year estimates of individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents multi-year estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented for a multi-year period.*

Answer:

a. Yes, multi-year estimates for individual sources of revenue accounting for all revenue are presented.

Source:

Table C.3, Tax Revenue Program, by Collecting Department/Agency, by Source, 2017-2021, Budget of Expenditures and Sources of Financing (BESF) FY 2019: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf>

Table C.4, Non-Tax Revenue Program, by Collecting Department/Agency, by Source, 2017-2021, BESF FY 2019, page, 460: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

Comment:

The Executive's Budget Proposal present multi-year estimates of all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue account for three percent or less of all revenue. This can be found in the BESF FY 2019, specifically in Table C.3, Tax Revenue Program, by Collecting Department/Agency, by Source, 2017-2021, page 458 and Table C.4, Non-Tax Revenue Program, by Collecting Department/Agency, by Source, 2017-2021, BESF FY 2019, page, 460. We could also note that for the 2021 projections, 'other' revenues only account for 1.1% of the total revenues, justifying an A score.

Peer Reviewer

Opinion: Agree

Comments: I agree on this judgement call for "all revenue."

Government Reviewer

Opinion: Agree

13. Does the Executive's Budget Proposal or any supporting budget documentation present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for

the budget year?

**GUIDELINES:**

Question 13 asks about three key estimates related to borrowing and debt that the budget should include:

- the amount of net new borrowing required during the budget year;
- the central government's total debt burden at the end of the budget year; and
- the interest payments on the outstanding debt for the budget year.

*Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the IMF.*

*Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.*

*Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present all three estimates of borrowing and debt. For a "b" answer, the Executive's Budget Proposal or its supporting documentation must present two of those three estimates. For a "c" answer, the Executive's Budget Proposal or its supporting documentation must present one of the three estimates. Answer "d" applies no information on borrowing and debt is presented for the budget year.*

**Answer:**

a. Yes, all three estimates related to government borrowing and debt are presented.

**Source:**

Table D.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 475: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D1.pdf>

Table D.3, BESF FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table B.17, BESF FY 2019, page 442: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B17.pdf>

**Comment:**

The Executive's Budget Proposal presents all three estimates of borrowing and debt. This can be found in the BESF FY 2019. Table D.1 titled "National Government Financing, FY 2017-2019" provides information on net borrowing. Table D.3 titled "Outstanding Debt of the national Government, as of Year-End 2017-2019" shows information on the total debt outstanding at the end of the budget year. Finally, Table B.17 titled "National Government Debt Service Expenditures, FY 2017-2019" provides data on the total debt outstanding at the end of the budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

13b. Based on the response to Question 13, check the box(es) below to identify which estimates of government borrowing and debt are presented in the Executive's Budget Proposal:

**Answer:**

The amount of net new borrowing required during the budget year  
The central government's total debt burden at the end of the budget year  
The interest payments on outstanding debt for the budget year

**Source:**

Table D.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 475: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D1.pdf>

Table D.3, BESF FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table B.17, BESF FY 2019, page 442: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B17.pdf>

**Comment:**

The Executive's Budget Proposal presents all three estimates of borrowing and debt. This can be found in the BESF FY 2019. Table D.1 titled "National Government Financing, FY 2017-2019" provides information on net borrowing. Table D.3 titled "Outstanding Debt of the national Government, as of Year-End 2017-2019" shows information on the total debt outstanding at the end of the budget year. Finally, Table B.17 titled "National Government Debt Service Expenditures, FY 2017-2019" provides data on the total debt outstanding.

**Peer Reviewer**

Opinion: Agree

Comments: I assume that the fact that the three statements are in bold means that a box was checked for each of them – all three estimates are provided.

**Government Reviewer**

Opinion: Agree

**IBP Comment**

The Peer Reviewer is correct - the highlighted (bold) items are selected because all three elements are reported in the EBP.

14. "Does the Executive's Budget Proposal or any supporting budget documentation present information related to the composition of the total debt outstanding at the end of the budget year?

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

**GUIDELINES:**

*Question 14 focuses on the composition of government debt at the end of the budget year, asking whether "core" information related to its composition is presented. These core components include:*

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

*The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 13, domestic debt is held by a country's citizens, banks, and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.*

*Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the composition of government debt at the end of the budget year as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding at the end of the budget year.*

**Answer:**

a. Yes, information beyond the core elements is presented for the composition of the total debt outstanding.

**Source:**

Table B.17, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 442: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B17.pdf>

Table B.18, BESF FY 2019, page 443: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B18.pdf>

Table B.19, BESF FY 2019, pages 444-450: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B19.pdf>

Table D.2, BESF FY 2019, page 476: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D2.pdf>

Table D.3, BESF FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table D.4, BESF FY 2019, page 478: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D4.pdf>

Table D.5, BESF FY 2019, pages 479-486: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D5.pdf>

**Comment:**

The Executive's Budget Proposal presents all of the core information related to the composition of government debt at the end of the budget year as well as some additional information beyond the core elements. Core and additional information on the composition of the debt can be found in Sections B and D of the BESF FY 2019.

Interest rates for domestic debt is in Table B.18, and interest rates for external debt in B. 19.

Maturity profile of domestic loans is shown in D.4. Maturity profile for external loans is shown in D.5.

A classification of debt whether domestic or external, is shown in Table D.2.

In addition, as beyond-the-core information, the purpose for the debt financing of projects are provided in Table B.19. Table B.19 and B.18 also show whether the debt interest rates are fixed or floating.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

14b. Based on the response to Question 14, check the box(es) to identify which elements of the composition of the total debt outstanding are presented in the Executive's Budget Proposal:

Answer:

Interest rates on the debt

Maturity profile of the debt

Whether the debt is domestic or external

Information beyond the core elements (please specify)

Source:

Table B.17, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 442: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B17.pdf>

Table B.18, BESF FY 2019, page 443: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B18.pdf>

Table B.19, BESF FY 2019, pages 444-450: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B19.pdf>

Table D.2, BESF FY 2019, page 476: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D2.pdf>

Table D.3, BESF FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table D.4, BESF FY 2019, page 478: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D4.pdf>

Table D.5, BESF FY 2019, pages 479-486: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D5.pdf>

Comment:

The Executive's Budget Proposal presents all of the core information related to the composition of government debt at the end of the budget year as well as some additional information beyond the core elements. Core and additional information on the composition of the debt can be found in Sections B and D of the BESF FY 2019. Interest rates on the debt and final payment dates on loans are listed in Tables B.17 and B.18. The maturity profile of the debt and the classification of the debt, whether domestic or external, are listed in Tables D.2, D.3, D.4 and D.5. Beyond the core elements, information is also provided on the purpose for the debt financing of projects as shown in Table B.19.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

15. "Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based?"

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)"

**GUIDELINES:**

Question 15 focuses on the macroeconomic forecast that underlies the budget's revenue and expenditure estimates, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:

- nominal GDP level;
- inflation rate;
- real GDP growth; and
- interest rates.

While the core macroeconomic information should be a standard feature of the Executive's Budget Proposal, the importance of some types of macroeconomic assumptions may vary from country to country. For example, the budget estimates of some countries are particularly affected by changes in the price of oil and other commodities.

Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short and long-term interest rates; rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.

**Answer:**

a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

**Source:**

Table A.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 1: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/A1.pdf>

Technical Notes on the 2019 Proposed National Budget, pages 5-10: <https://www.dbm.gov.ph/wp-content/uploads/Our%20Budget/2019/Technical-Notes-on-the-2019-Proposed-National-Budget.pdf>

**Comment:**

The Executive's Budget Proposal and supporting documentation present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. The macroeconomic assumptions used to formulate the budget are presented in the BESF FY 2019, specifically in Table A.1 titled "Macroeconomic Parameters, FY 2017-2021." It contains information on estimates of nominal gross domestic (GDP) level, real GDP growth and interest rates. Beyond these core elements, information on the macroeconomic forecast are given, including LIBOR rate, oil prices, exports' level and growth rate, imports' level and growth rate, gross international reserves, and inflation rate. Further, pages 5 to 10 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of the Budget Sensitivity to Macroeconomic Parameters.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

15b. Based on the response to Question 15, check the box(es) to identify which elements of the macroeconomic forecast are included in the Executive's Budget Proposal:

**Answer:**

Nominal GDP level

Inflation rate

Real GDP growth

Interest rates

Information beyond the core elements (please specify)

**Source:**

Table A.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 1: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/A1.pdf>

Technical Notes on the 2019 Proposed National Budget, pages 5-10: <https://www.dbm.gov.ph/wp-content/uploads/Our%20Budget/2019/Technical-Notes-on-the-2019-Proposed-National-Budget.pdf>

Comment:

The Executive's Budget Proposal and supporting documentation present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. The macroeconomic assumptions used to formulate the budget are presented in the BESF FY 2019, specifically in Table A.1 titled "Macroeconomic Parameters, FY 2017-2021." It contains information on estimates of nominal gross domestic (GDP) level, real GDP growth and interest rates. The information beyond the core elements include the macroeconomic forecast are given, including LIBOR rate, oil prices, exports' level and growth rate, imports' level and growth rate, gross international reserves, and inflation rate. Further, pages 5 to 10 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of the Budget Sensitivity to Macroeconomic Parameters.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

16. "Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget?"

(The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)"

*GUIDELINES:*

*Question 16 focuses on the issue of whether the Executive's Budget Proposal shows how different macroeconomic assumptions affect the budget estimates (known as a "sensitivity analysis"). It asks whether "core" information related to a sensitivity analysis is presented, estimating the impact on expenditures, revenue, and debt of different assumptions for:*

- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

*A sensitivity analysis shows the effect on the budget of possible changes in some macroeconomic assumptions, and is important for understanding the impact of the economy on the budget; for instance, what would happen to revenue collections if GDP growth were slower than what is assumed in the budget proposal? Or what would happen to expenditure if inflation were higher than estimated? Or how will revenue be affected by a decrease in the price of oil?*

*As noted for Question 15, changes in certain macroeconomic assumptions, such as the price of oil and other commodities, can have a significant impact on the budget estimates. As a result, some sensitivity analyses may also examine the impact on the budget estimates of changes in assumptions such as the price of oil that are beyond the core elements of the inflation rate, real GDP growth, and interest rates.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to a "sensitivity analysis" as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to a "sensitivity analysis" is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on "sensitivity analysis" is presented.*

Answer:

a. Yes, information beyond the core elements is presented to show the impact of different macroeconomic assumptions on the budget.

Source:

Table A.6, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 123: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/A6.pdf>

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

The BESF FY 2019 shows on Table A.6 titled "Budget Sensitivity to Macroeconomic Parameters, 2019" the impact of different macroeconomic assumptions on expenditures, revenue and debt of different assumptions for the inflation rate, real GDP growth rate, and interest rates. Page 10 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of the Budget's Sensitivity to Macroeconomic Parameters.



Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

17. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect expenditures?

**GUIDELINES:**

*Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.*

*Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.*

**Answer:**

a. Yes, estimates that show how all new policy proposals affect expenditures are presented, along with a narrative discussion.

**Source:**

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

**Comment:**

The Technical Notes on the 2019 Proposed National Budget presents on pages 37-108 presents estimates of how all new policy proposals affect expenditures and a narrative discussion of the impact of these new policies.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

18. Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect revenues?

**GUIDELINES:**

*Questions 17 and 18 ask about new policy proposals in the budget. In any given year, most of the expenditures and revenues in the budget reflect the continuation of existing policies. However, much of the attention during the budget debate is focused on new proposals – whether they call for eliminating an existing program, introducing a new one, or changing an existing program at the margins. Typically, these new proposals are accompanied by an increase, a decrease, or a shift in expenditures or revenues. Because these changes may have different impacts on people's lives, the budget proposal should present sufficient detail about new policies and their budgetary impact.*

*Question 17 asks about new expenditure policies, and Question 18 asks about new revenue policies. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how all new policy proposals affect expenditures (for Question 17) or revenues (for Question 18) and a narrative discussion of the impact of these new policies. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show the impact of all new policy proposals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show the impact of only some, but not all, policy proposals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on the impact of new policy proposals.*

*Prior-year information constitutes an important benchmark for assessing the proposals for the upcoming budget year. Estimates of prior years should be presented in the same formats (in terms of classification) as the budget year to ensure that year-to-year comparisons are meaningful. For example, if the*

*budget proposes shifting responsibility for a particular program from one administrative unit to another – such as shifting responsibility for the training of nurses from the health department to the education department – the prior-year figures must be adjusted before year-to-year comparisons of administrative budgets can be made.*

*Typically, when the budget proposal is submitted, the year prior to the budget year (BY-1), also known as the current year, has not ended, so the executive will provide estimates of the anticipated outcome for BY-1. The soundness of these estimates is directly related to the degree to which they have been updated to reflect actual expenditures to date, legislative changes that have occurred, and anticipated changes in macroeconomic, caseload, and other relevant factors for the remainder of the year.*

*The first year that can reflect actual outcomes, therefore, is generally two years before the budget year (BY-2). Thus the OECD recommends that data covering at least two years before the budget year (along with two years of projections beyond the budget year) are provided in order to assess fully the trends in the budget.*

Answer:

a. Yes, estimates that show how all new policy proposals affect revenues are presented, along with a narrative discussion.

Source:

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

The Technical Notes on the 2019 Proposed National Budget presents on pages 11-19 estimates of how all new policy proposals affect revenues and a narrative discussion of the impact of these new policies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

19. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

**GUIDELINES:**

*Question 19 asks if expenditure estimates for the year prior to the budget year (BY-1) are presented by one of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-1 by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-1 must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-1 are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-1 are not presented by any of the three classifications.*

Answer:

a. Yes, expenditure estimates for BY-1 are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Table B.2, BESF FY 2019, pages 130-254: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B2.pdf>

Table B.5, BESF FY 2019, page 294: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5.pdf>

Comment:

The BESF FY 2019 presents information on expenditures by administrative, economic and functional classification for 2018 or the year prior to the budget year. Table B.2 titled "Obligations, By Object of Expenditures, By Department/Special Purpose Fund, FY 2017-2019" shows expenditures by administrative classification. Table B.1 titled "Expenditure Program, By Object, FY 2017-2019" presents expenditures by economic classification, while Table B.5 titled "Expenditure Program By Sector, FYs 2017-2019" indicates expenditures by functional classification.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

20. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

**GUIDELINES:**

*Question 20 asks if expenditure estimates for the year before the budget year (BY-1) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaille. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-1. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-1. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.*

**Answer:**

a. Yes, programs accounting for all expenditures are presented for BY-1.

**Source:**

National Expenditure Program FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

**Comment:**

The National Expenditure Program FY 2019 presents expenditures for all individual programs, accounting for all expenditures, for 2018 or the year prior to the budget year.

Peer Reviewer  
Opinion: Agree

Comments: Note that FY2019 is the first year of using a cash-based rather than obligation-based budget, so that the prior year presentation (being obligation-based) is not strictly comparable to the FY2019 proposed. In fact, the cash-based (being what can be spent in the fiscal year) is generally lower than the obligation-based, often causing consternation among observers who were not clear on the difference.

Government Reviewer  
Opinion: Agree

21. In the Executive's Budget Proposal or any supporting budget documentation, have expenditure estimates of the year prior to the budget year (BY-1) been updated from the original enacted levels to reflect actual expenditures?

**GUIDELINES:**

*Question 21 asks whether the expenditure estimates for the year before the budget year (BY-1) have been updated from the original enacted levels. Updates can reflect actual experience to date; revised estimates due to shifting of funds by the executive, as permitted under the law; enactment of supplemental budgets; and revised assumptions regarding macroeconomic conditions, caseload, and other relevant factors for the remainder of the year.*

*Answer "a" applies if the estimates have been updated; answer "b" applies if the original estimates are still being used.*

**Answer:**

a. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.

**Source:**

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp->

content/uploads/BESF/BESF2019/B1.pdf

Comment:

The BESF FY 2019 reflects on Table B.1 titled "Expenditure Program, By Object, FY 2017-2019" the expenditure levels for 2018 which is the year prior to the budget year, but it is not clear whether they have been updated from the approved version.

Peer Reviewer

Opinion: Agree

Comments: Actually, the expenditure levels have not been updated from the documents prepared during FY2018 budget process.

Government Reviewer

Opinion: Disagree

Suggested Answer:

. Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.

Comments: The FY 2019 BESF reflects adjusted expenditure levels for FY 2018. This is clearly labeled as 2018 Adjusted Program in Table B.7 titled "National Government Expenditures, By Recipient Unit, FY 2017-2019". Weblink: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B7.pdf>

Researcher Response

The revised answer is "Yes". The FY 2019 BESF reflects adjusted expenditure levels for FY 2018. This is labeled as 2018 Adjusted Program in Table B.7 titled "National Government Expenditures, By Recipient Unit, FY 2017-2019". <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B7.pdf>

22. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

**GUIDELINES:**

*Question 22 asks if expenditure estimates for more than one year prior to the budget year (BY-2 and prior years) are presented by any of the three expenditure classifications – by administrative, economic, and functional classifications. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. (See Questions 1-5 above.)*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditure estimates for BY-2 and prior years by all three of the expenditure classifications. To answer "b," expenditure estimates for BY-2 and prior years must be presented by two of these three classifications. A "c" answer applies if expenditure estimates for BY-2 and prior years are presented by one of the three classifications. Answer "d" applies if expenditure estimates for BY-2 and prior years are not presented by any of the three classifications*

Answer:

a. Yes, expenditure estimates for BY-2 and prior years are presented by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Table B.2, BESF FY 2019, pages 130-254: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B2.pdf>

Table B.5, BESF FY 2019, page 294: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5.pdf>

Comment:

The BESF FY 2019 presents information on expenditures by administrative, economic and functional classification for 2018 for more than one year prior to the budget year. Table B.2 titled "Obligations, By Object of Expenditures, By Department/Special Purpose Fund, FY 2017-2019" shows expenditures by administrative classification. Table B.1 titled "Expenditure Program, By Object, FY 2017-2019" presents expenditures by economic classification, while Table B.5 titled "Expenditure Program By Sector, FYs 2017-2019" indicates expenditures by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

22b. Based on the response to Question 22, check the box(es) to identify which expenditure classifications have estimates for more than one year prior to the budget year in the Executive Budget Proposal:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Table B.2, BESF FY 2019, pages 130-254: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B2.pdf>

Table B.5, BESF FY 2019, page 294: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5.pdf>

Comment:

The BESF FY 2019 presents information on expenditures by administrative, economic and functional classification for 2018 for more than one year prior to the budget year. Table B.2 titled "Obligations, By Object of Expenditures, By Department/Special Purpose Fund, FY 2017-2019" shows expenditures by administrative classification. Table B.1 titled "Expenditure Program, By Object, FY 2017-2019" presents expenditures by economic classification, while Table B.5 titled "Expenditure Program By Sector, FYs 2017-2019" indicates expenditures by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

23. Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

**GUIDELINES:**

*Question 23 asks if expenditure estimates for more than one year before the budget year (BY-2 and prior years) are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department. For example, the Ministry of Health's budget could be broken down into several subgroups, such as "primary health care," "hospitals," or "administration." These subgroups should be considered programs even if they could be, but are not, broken down into smaller, more detailed units.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Executive's Budget Proposal or its supporting documentation must present expenditures for all individual programs, accounting for all expenditures, for BY-2 and prior years. To answer "b," the programs shown individually in the Executive's Budget Proposal or its supporting documentation must account for at least two-thirds of all expenditures for BY-2 and prior years. A "c" answer applies if the Executive's Budget Proposal or its supporting documentation presents programs that account for only less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program.*

Answer:

a. Yes, programs accounting for all expenditures are presented for BY-2 and prior years.

Source:

National Expenditure Program FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Comment:

The National Expenditure Program FY 2019 presents expenditures for all individual programs, accounting for all expenditures, for 2017 or the second year prior to the budget year.

Peer Reviewer

Opinion: Agree

Comments: Again, for BY-2 (as in BY-1) the figures are on an obligation basis, whereas the figures for BY (FY2019) are on a cash basis, making comparisons difficult.

Government Reviewer  
Opinion: Agree

24. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

**GUIDELINES:**

*Question 24 asks for which year the actual outcomes for expenditures are shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated all its expenditure data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.*

*For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.*

**Answer:**

a. Two years prior to the budget year (BY-2).

**Source:**

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

**Comment:**

The BESF FY 2019 shows in Table B.1 titled "Expenditure Program, By Object, FY 2017-2019" actual outcomes of expenditures two years prior to the budget year.

The following also have actual 2017 information:

Table B.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 125-129: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B1.pdf>

Table B.2, BESF FY 2019, pages 130-254: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B2.pdf>

Table B.5, BESF FY 2019, page 294: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B5.pdf>

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

25. Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

**GUIDELINES:**

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

**Answer:**

a. Yes, revenue estimates for BY-1 are presented by category.

**Source:**

Table C.1., BESF FY 2019, page 455: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C1.pdf>

**Comment:**

The BESF FY 2019 presents in Table C.1 titled "Revenue Program, By Source, FY 2017-2019" information on revenue estimates for 2018 or the year preceding the budget year.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

26. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for the year preceding the budget year (BY-1)?

**GUIDELINES:**

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

**Answer:**

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-1.

**Source:**

Table C.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 458-459: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf>

Table C.4, BESF FY 2019, pages 460-473: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

**Comment:**

The BESF FY 2019 lists in Table C.3 "Tax Revenue Program, By Collecting Department/Agency, By Source, FY 2017-2021" and Table C.4 titled "Non-Tax Revenue Program, By Collecting Department/Agency, By Source, FY 2017-2021" the individual sources of tax and non-tax revenue for 2018 or the year preceding the budget year.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

27. In the Executive's Budget Proposal or any supporting budget documentation, have the original estimates of revenue for the year prior to the budget year (BY-1) been updated to reflect actual revenue collections?

**GUIDELINES:**

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

**Answer:**

a. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

**Source:**

Table C.1., BESF FY 2019, page 455: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C1.pdf>

**Comment:**

The BESF FY 2019 presents in Table C.1 titled "Revenue Program, By Source, FY 2017-2019" information on revenue estimates for 2018, or the year preceding the budget year, but it is not clear they have been updated from the original enacted levels .

Peer Reviewer  
Opinion: Agree

Comments: There is one slight difference in "Tax Revenues" of about 2 percent as reported in some FY2018 documents, but the other estimates are

the same. It seems unlikely that the difference is an "updating," rather it is generated by some other process.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, revenue estimates for BY-1 have been updated from the original enacted levels.

Comments: It shall be noted that the General Appropriations Act (Enacted Budget) does not include revenue estimates. However, the BESF (which is part of the Executive's Budget Proposal) provides estimates on revenues that serve as basis for the proposed budget. Therefore, the basis of the enacted budget is the revenue projections provided in the BESF. The revenue estimates will be updated in the succeeding BESF to reflect recent macroeconomic and fiscal developments. The FY 2018 (BY-1) revenue estimates in table C.1 of the FY 2019 BESF have been updated from the same table published in the FY 2018 BESF (weblink: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2018/C1.pdf>).

Researcher Response

The revised answer is "Yes". The FY 2018 (BY-1) revenue estimates in table C.1 of the FY 2019 BESF have been updated from the same table published in the FY 2018 BESF <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2018/C1.pdf>

28. Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?

*GUIDELINES:*

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

Answer:

a. Yes, revenue estimates for BY-2 and prior years are presented by category.

Source:

Table C.1., BESF FY 2019, page 455: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C1.pdf>

Comment:

The BESF FY 2019 provides in Table C.1 titled "Revenue Program, By Source, FY 2017-2019" information on revenue estimates for 2017, or the second year preceding the budget year.

Peer Reviewer

Opinion: Agree

Comments: The estimates are for BY-2 (not any earlier).

Government Reviewer

Opinion: Agree

29. Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for more than one year prior to the budget year (that is, BY-2 and prior years)?

*GUIDELINES:*

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

Answer:

a. Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.

Source:

Table C.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 458-459: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf>

Table C.4, BESF FY 2019, pages 460-473: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

Comment:

The BESF FY 2019 lists in Table C.3 "Tax Revenue Program, By Collecting Department/Agency, By Source, FY 2017-2021" and Table C.4 titled "Non-Tax Revenue Program, By Collecting Department/Agency, By Source, FY 2017-2021" the individual sources of tax and non-tax revenue for 2017 or the



second year preceding the budget year.

Peer Reviewer

Opinion: Agree

Comments: Again, BY-2 (but not earlier).

Government Reviewer

Opinion: Agree

30. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

*GUIDELINES:*

*Questions 25 through 30 cover the same topics about prior-year information as the previous six questions, only they ask about information provided for revenues rather than expenditures.*

Answer:

a. Two years prior to the budget year (BY-2).

Source:

Table C.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 458-459: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C3.pdf>

Table C.4, BESF FY 2019, pages 460-473: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/C4.pdf>

Comment:

The BESF FY 2019 presents in Tables C3 and C4 information on actual outcomes of revenues two years prior to the budget year. All revenue documents have updated 2017 actual values.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

31. "Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1)?"

(The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)"

*GUIDELINES:*

*Question 31 focuses on prior-year debt information, rather than on prior-year expenditures or revenues, asking whether "core" information is provided on government borrowing and debt, including its composition, for the year preceding the budget year (BY-1).*

*The "core" information includes:*

- *total debt outstanding at the end of BY-1;*
- *amount of net new borrowing required during BY-1;*
- *interest payments on the debt;*
- *interest rates on the debt instruments;*
- *maturity profile of the debt; and*
- *whether it is domestic or external debt.*

*This core information for BY-1 is consistent with the budget year information for borrowing and debt, which is examined in Questions 13 and 14.*

*In addition, some governments provide information beyond the core elements, such as gross new borrowing required during BY-1; currency of the debt; whether the debt carries a fixed or variable interest rate; whether it is callable; a profile of the creditors (bilateral institutions, multilateral institutions, commercial*

banks, Central Bank, etc.); where appropriate, what the debt is being used to finance.

To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to government borrowing and debt, including its composition, for BY-1 as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to government borrowing and debt, including its composition, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on government borrowing and debt for BY-1.

Answer:

a. Yes, information beyond the core elements is presented for government debt.

Source:

Table B.17, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 442: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B17.pdf>

Table B.18, BESF FY 2019, page 443: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B18.pdf>

Table B.19, BESF FY 2019, pages 444-450: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B19.pdf>

Table D.1, BESF FY 2019, page 475: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D1.pdf>

Table D.2, BESF FY 2019, page 476: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D2.pdf>

Table D.3, BESF FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table D.4, BESF FY 2019, page 478: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D4.pdf>

Table D.5, BESF FY 2019, pages 485-486: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D5.pdf>

Comment:

Core and additional information on the composition of government borrowing and debt for 2018 or the year prior to the budget year can be found in Sections B and D of the BESF FY 2019. Total outstanding debt, amount of net new borrowing and the classification of debt whether it's external or domestic, are provided in Tables D1 to D5. Interest payments and the maturity profile of the debt are shown in Tables B.17 to B.19. Beyond the core elements, additional information includes the purpose of the projects funded by the debt (Table D.5).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

32. In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

**GUIDELINES:**

Question 32 asks for which year the actual outcome for debt is shown. In most cases, the most recent year for which budget data on actual outcomes are available will be BY-2, as BY-1 is generally not yet finished when the budget proposal is drafted. So a government that has updated its debt data for BY-2 to reflect what actually occurred, as opposed to estimating the outcome for that year, shows good public financial management practice.

For an "a" answer, a country must meet the good practice of having the figures for BY-2 reflect actual outcomes.

It is essential that all government activities that may have an impact on the budget – in the current budget year or in future budget years – be fully disclosed to the legislature and the public in budget documents. In some countries, for instance, entities outside central government (such as public corporations) undertake fiscal activities that could affect current and future budgets. Similarly, activities that can have a significant impact on the budget, such as payment arrears and contingent liabilities, sometimes are not properly captured by the regular presentations of expenditure, revenue, and debt.

Answer:

a. Two years prior to the budget year (BY-2).

Source:

Table D.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Comment:

The BESF FY 2019 reflects in Table D.3, page 477, titled "Outstanding Debt of the National Government as of Year-End, 2017-2019," actual outcomes of debt two years prior to the budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

33. "Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)"

*GUIDELINES:*

*Question 33 focuses on extra-budgetary funds, asking whether "core" information related to these funds, which exist outside the budget, are presented. These core components include:*

- *a statement of purpose or policy rationale for the extra-budgetary fund (i.e., why was a particular fund set up? what is it used for?); and*
- *estimates of its income, expenditure, and financing. (These estimates should be presented on a gross basis so that it is possible to tell how much money flows through each extra-budgetary fund.)*

*In most countries, governments engage in certain budgetary activities that are not included in the central government's budget. Known as extra-budgetary funds, they can range in size and scope. For example, countries frequently set up pension and social security programs as extra-budgetary funds, where the revenues collected and the benefits paid are recorded in a separate fund outside the budget. Another example of an extra-budgetary fund can be found in countries dependent on hydrocarbon/mineral resources, where revenues from producing and selling those resources are channeled through systems outside the annual budget.*

*In some cases, the separation engendered by an extra-budgetary fund serves a legitimate political purpose, and the finances and activities of these funds are well documented. In other cases, however, this structure is used for obfuscation, and little or nothing is known about a fund's finances and activities.*

*The availability of information related to extra-budgetary funds is essential for a comprehensive understanding of the government's true fiscal position. In addition to the core information, other information about extra-budgetary funds is also desirable. Such information includes a discussion of the risks associated with the extra-budgetary fund; expenditures classified by economic, functional, or administrative unit; and the rules and procedures that govern the operations and management of the extra-budgetary fund.*

*For more information about extra-budgetary funds, see the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 2.1.1 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to extra-budgetary funds as well as some additional information beyond the core elements. A "b" answer applies if the Executive's Budget Proposal or supporting documentation presents all of the core information. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to extra-budgetary funds is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on extra-budgetary funds.*

Answer:

a. Yes, information beyond the core elements is presented for all extra-budgetary funds.

Source:

Table B.15, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 410-416: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table B. 16, BESF FY 2019, pages 417-441: <https://www.dbm.gov.ph/wpcontent/uploads/BESF/BESF2019/B16.pdf>

Comment:

The BESF FY 2019 contains information on extra-budgetary funds, specifically in Table B.15, pages 410-416, titled "Earmarked Revenues, 2017-2019," and in Table B.16, pages 417-441, titled "Off Budget Accounts, FY 2017-2019." The core information includes the statement of purpose or policy rationale for the extra-budgetary fund, and complete income, expenditure, and financing data on a gross basis. However, additional information such as discussion on the risks associated with the extra budgetary fund is not available.

Peer Reviewer

Opinion: Agree

Comments: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B15.pdf> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B16.pdf> The citations are slightly wrong -- the first to the wrong table, and the second has a typographical error with no hyphen in wp-content

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for all extra-budgetary funds.

Comments: Information beyond the core elements are presented. For Off-Budget Accounts (Table B.16 of the FY 2019 BESF), the source/nature of revenues and class/nature of expenditures are provided on top of the core elements. In addition, the Off-Budget Accounts are grouped by their respective administrative units (department/agency). For Earmarked Revenues (Table B.15 of the FY 2019 BESF), the source/nature of revenues is provided. In addition, the Earmarked Revenues are also grouped by their respective administrative units (department/agency).

Researcher Response

I agree with the Government Reviewer. I change my answer to a.

34. Does the Executive's Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

**GUIDELINES:**

*Question 34 asks whether the Executive's Budget Proposal or supporting documents present the finances of the central government on a consolidated basis, showing both its budgetary and extra-budgetary activities. Virtually all of the questions in the OBS questionnaire focus on budgetary central government – the activities of the ministries, departments, or agencies of central government. In addition, Question 33 asks about extra-budgetary funds, such as social security funds that are not included in the budget.*

*Coverage is an important aspect of fiscal reporting. Budget documents should cover the full scope of government's financial activity. In many countries, extra-budgetary activities are substantial, and can represent a sizable share of the central government's activities. To get a full picture of the central government's finances, therefore, it is necessary to examine both activities that are included in the budget and those that are extra-budgetary. This question asks whether such a consolidated presentation of central government finances is provided.*

*The central government is only one component of the overall public sector. The public sector also includes other levels of government, such as state and local government, and public corporations. (See Box 2.1 under Principle 1.1.1 of the IMF's Fiscal Transparency Handbook (2018):*

*<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml> For the purpose of answering this question, please consider only the central government level.*

*In order to answer "a," the Executive's Budget Proposal or supporting documentation must present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year.*

Answer:

b. No, central government finances are not presented on a consolidated basis.

Source:

Budget of Expenditures and Sources of Financing (BESF) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

National Expenditure Program (NEP) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Comment:

A review of the Executive's Budget Proposal and its supporting documentation show that central government finances (both budgetary and extra-budgetary) are not presented on a consolidated basis.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

35. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of intergovernmental transfers for at least the budget year?

**GUIDELINES:**

*Question 35 asks about intergovernmental transfers. In many cases, the central government supports the provision of a good or service by a lower level of government through an intergovernmental transfer of funds. This is necessary because, independent from the level of administrative decentralization that exists in a given country, the capacity for revenue collection of a local government is unlikely to be sufficient to pay for all its expenses. However, because the activity is not being undertaken by an administrative unit of the central government, it is unlikely to receive the same level of review in the budget. Thus it is*

important to include in the budget proposal a statement that explicitly indicates the amount and purposes of these transfers.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all intergovernmental transfers and a narrative discussing these transfers. If a narrative discussion is not included, but estimates for all intergovernmental transfers are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, intergovernmental transfers (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of intergovernmental transfers are presented.

Answer:

a. Yes, estimates of all intergovernmental transfers are presented, along with a narrative discussion.

Source:

Section F, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 537-601: <https://www.dbm.gov.ph/index.php/budget-documents/2019/budget-of-expenditures-and-sources-of-financing-fy-2019>

Chapter XXXVII, National Expenditure Program (NEP) FY 2019, pages 1034-1059 : <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/ALGU/ALGU.pdf>

Comment:

The BESF FY 2019 in Section F, pages 537-601, titled "Local Government Units (LGUs)" and the NEP FY 2019 in Chapter XXXVII, pages 1034-1059, titled "Allocation to Local Government Units" present information on intergovernmental transfers for the budget year. Transfers to LGUs come in various forms such as the Internal Revenue Allotment (IRA), Local Government Support Fund, and Special Financial Assistance to LGUs. The IRA is the 40 percent share of national revenue taxes distributed among LGUs – provinces, cities, municipalities and barangays. Tables F.1 to F.15 of the BESF FY 2019 shows both a summary of allocations to LGUs as estimates by region, province, city and municipality. Tables A to G of Chapter XXXVII of the NEP FY 2019 provide the total proposed amount of transfers for the budget year including special provisions pertaining to the use, allocation and release of the fund.

The "Allocations to Local Government Units" provides details both on the type of transfer and each transfer to each local government unit.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

36. Does the Executive's Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of policies on different groups of citizens, for at least the budget year?

**GUIDELINES:**

Question 36 asks about "alternative displays" of expenditures that highlight the financial impact of policies on different groups of citizens. As discussed above, expenditures are typically presented by at least one of three classifications – administrative, functional, and economic classifications (see Questions 1-5) – and by individual program (Question 6). In addition, governments can provide alternative displays to emphasize different aspects of expenditure policies and to show who benefits from these expenditures.

For the purpose of answering this question, the alternative presentation must differ from the presentations (such as administrative, functional, or economic classifications or presentation by program) used to answer other questions. The alternative display can cover all expenditures or only a portion of expenditures. For instance, it can show how all expenditures are distributed according to geographic region or it can show how selected expenditures (such as the health budget or the agriculture budget) are distributed to different regions. But such a geographic display must be something different than the presentation of intergovernmental transfers used to answer question 35. One exception is when a country includes a special presentation of all policies intended to benefit the most impoverished populations (and is used to answer Question 52) then that can be considered an alternative display for purposes of answering this question as well. Finally, brief fact sheets showing how proposals in the budget benefit particular groups would be insufficient; only more detailed presentations would be considered.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?"

(<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of the importance of alternative displays of budget information and provides a number of examples. For instance,

- Bangladesh in its 2017-18 Budget included a detailed supplementary Gender Budgeting Report, which presents the spending dedicated to advancing women across various departments. (<https://mof.portal.gov.bd/site/page/3bb14732-b5b1-44df-9921-efedf1496295>).
- The UK's 2017 budget included a supplementary analysis that provided a distributional analysis of the budget by households in different income groups (see [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/661465/distributional\\_analysis\\_autumn\\_budget\\_2017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661465/distributional_analysis_autumn_budget_2017.pdf))
- South Africa's 2017 Budget Review goes beyond the standard presentation of intergovernmental transfers, discussing the redistribution that results from national revenue flowing to the provinces and municipalities and presenting the allocations on a per capita basis (see chapter 6,

<http://www.treasury.gov.za/documents/national%20budget/2017/review/FullBR.pdf>.

To answer "a," the Executive's Budget Proposal or supporting documentation must include at least three different presentations that illustrate the financial impact of policies on different groups of citizens for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must include at least two different alternative displays of expenditures. A "c" applies if only one type of alternative display of expenditure is presented. Answer "d" applies if no alternative display of expenditure is presented.

Answer:

a. Yes, at least three alternative displays of expenditures are presented to illustrate the financial impact of policies on different groups of citizens.

Source:

Table B.21, Budget of Expenditures and Sources of Financing (BESF) FY 2019, p. 452: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B21.pdf>

Table B.22, BESF FY 2019, p. 453: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B22.pdf>

Technical Notes on the Proposed 2019 National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

Table B.21 and Table B.22 of the BESF FY 2019 presents climate change expenditures. Table B.21 pertains to Climate Change Expenditures classified either as Adaptation or Mitigation by Departments and Special Purpose Funds. Table B.22 presents Climate Change Expenditures broken down into the Strategic Priorities of the National Climate Change Action Plan. The Technical Notes on the Proposed 2019 National Budget presents in Table 5, page 27, the Breakdown of the 2019 Budget by Region and Expenditure per Capita. It shows in Table 7, page 66, the Regional Allocation for Health Facilities Operations Programs. Table 10 displays Conditional Cash Transfer Program Budget and Physical Targets, 2017-2019.

Peer Reviewer

Opinion: Agree

Comments: I would disagree with the first two citations, as the climate change expenditures are shown according to different purposes etc., not according to how they affect different groups of citizens. Still, the citations do reach the threshold of three -- as Tables 5 (page 27) and 7 (page 66) show regional breakdowns for the administrative regions of the country. In fact, there are other examples of regional breakdowns. And the CCT program is definitely aimed at the most disadvantaged, so its separate discussion also would count.

Government Reviewer

Opinion: Agree

Researcher Response

There is agreement that "Yes, there are three alternative displays of expenditures are presented" as the suitable answer. Due recognition is given to the citations provided by the Peer Reviewer.

36b. Based on the response to Question 36, select the box(es) below to identify which types of alternative displays are included in the Executive's Budget Proposal:

Answer:

Policy impacts based on income

Policy impacts based on age

Distribution of health expenditures by geographic region

Other displays of expenditure (please specify)

Source:

Table B.21, Budget of Expenditures and Sources of Financing (BESF) FY 2019, p. 452: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B21.pdf>

Table B.22, BESF FY 2019, p. 453: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B22.pdf>

Technical Notes on the Proposed 2019 National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

Table B.21 and Table B.22 of the BESF FY 2019 presents climate change expenditures. Table B.21 pertains to Climate Change Expenditures classified either as Adaptation or Mitigation by Departments and Special Purpose Funds. Table B.22 presents Climate Change Expenditures broken

down into the Strategic Priorities of the National Climate Change Action Plan. The Technical Notes on the Proposed 2019 National Budget presents in Table 5, page 27, the Breakdown of the 2019 Budget by Region and Expenditure per Capita. It shows in Table 7, page 66, the Regional Allocation for Health Facilities Operations Programs. Table 10 displays Conditional Cash Transfer Program Budget and Physical Targets, 2017-2019.

Peer Reviewer

Opinion: Disagree

Suggested Answer: As noted in my comment on question 36, I would disagree with the first two citations, as the climate change expenditures are shown according to different purposes etc., not according to how they affect different groups of citizens. Policy impacts by Age can be seen in Table 2 of the technical notes (page 23) where using the COFOG system "social protection" includes a breakdown for Senior Citizens. As noted, Table 7 of page 66 has regional allocation for health facilities operations. And Table 10 does focus on the CCT, for the poorest. So, I would concur with the first three (income [CCT], Age [Social Protection breakdown] and Health Expenditures), but not "other displays" (which were not specified).

Government Reviewer

Opinion: Agree

Researcher Response

The citations provided by the Peer Reviewer are accepted. Policy impacts by Age can be seen in Table 2 of the technical notes (page 23) where using the COFOG system "social protection" includes a breakdown for Senior Citizens. Table 7 of page 66 has regional allocation for health facilities operations. And Table 10 does focus on the CCT, for the poorest.

37. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of transfers to public corporations for at least the budget year?

**GUIDELINES:**

*Question 37 asks about transfers to public corporations. It is often the case that governments have a stake in enterprises that manage resources that are particularly relevant for the public good (such as electricity, water, and oil). While these public corporations can operate independently, in some cases the government will provide direct support by making transfers to these corporations, including to subsidize capital investment and operating expenses.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all transfers to public corporations and a narrative discussing the purposes of these transfers. If a narrative discussion is not included, but estimates for all transfers to public corporations are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, transfers to public corporations (regardless of whether it also includes a narrative discussion). Answer "c" also applies if estimates of transfers to public corporations are presented as a single line item. Answer "d" applies if no estimates of transfers to public corporations are presented.*

Answer:

a. Yes, estimates of all transfers to public corporations are presented, along with a narrative discussion.

Source:

Table E.1, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 487: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E1.pdf>

Table E.13, BESF FY 2019, <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E13.pdf>

Section XXXV, National Expenditure Program FY 2019, pages 888-1033: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/BSGC/BSGC.pdf>

Comment:

The BESF FY 2019 in Table E.1, page 487, and Table E.13, pages 532-535, provides details on subsidies to government corporations for the budget year. The special provisions under Section XXXV, pages 888-1033, of the National Expenditure Program (NEP) FY 2019 include narrative discussions on the objectives of budgetary support to government corporations.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

38. Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year?

(The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)

**GUIDELINES:**

Question 38 focuses on quasi-fiscal activities, asking whether “core” information related to such activities is presented. These core components include:

- A statement of purpose or policy rationale for the quasi-fiscal activity (i.e., what is the reason for engaging in this activity?);
- The identification of intended beneficiaries of the quasi-fiscal activity.

The term “quasi-fiscal activities” refers to a broad range of activities that are fiscal in character and could be carried out through the regular budget process but are not. For example, a quasi-fiscal activity could take place if, instead of providing a direct subsidy through the budget for a particular activity, a public financial institution provides an indirect subsidy by offering loans at below-market rates for that activity. Similarly, it is a quasi-fiscal activity when an enterprise provides goods or services at prices below commercial rates to certain individuals or groups to support the government’s policy goals.

The above examples are policy choices that may be approved by the government and legislature. However, quasi-fiscal activities can also involve activities that violate or circumvent a country’s budget process laws or are not subject to the regular legislative approval process for expenditures. For example, the executive may issue an informal order to a government entity, such as a public commercial enterprise, to provide the executive with goods and services that normally would have to be purchased with funding authorized by the legislature. All quasi-fiscal activities should be disclosed to the public and subject to public scrutiny.

Beyond the core information, some governments may also provide other information about quasi-fiscal activities, including for example: the anticipated duration of the quasi-fiscal activity; a quantification of the activity and the assumptions that support these estimates; and a discussion of the fiscal significance and potential risks associated with the activity, including the impact on the entity carrying out the activity. Principle 3.3.2 of the IMF’s Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) provides examples of quasi-fiscal activities that can be consulted as needed. And more details on quasi-fiscal activities can be found in the Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).

To answer “a,” the Executive’s Budget Proposal or supporting documentation must present all of the core information related to all quasi-fiscal activities for at least the budget year as well as some additional information beyond the core elements. To answer “b,” the Executive’s Budget Proposal or supporting documentation must present all of the core components noted above. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to quasi-fiscal activities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information is presented on quasi-fiscal activities.

If quasi-fiscal activities do not represent a significant problem in your country, please mark “e.” However, please exercise caution in answering this question.

Answer:

d. No, information related to quasi-fiscal activities is not presented.

Source:

Table B.16, Budget of Expenditures and Sources of Financing (BESF) FY 2019, p. 417: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B16.pdf>

Comment:

The BESF FY 2019 in Table B.16, page 417, titled “Off-Budget Accounts, FY 2017-2019,” presents information on quasi-fiscal activities. The policy rationale or legal basis, as well as the identification of nature of expenditures or intended beneficiaries, of the quasi-fiscal activities are also provided.

Table B.16, Budget of Expenditures and Sources of Financing (BESF) FY 2019, p. 417: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B16.pdf>

Peer Reviewer

Opinion: Disagree

Suggested Answer:

d. No, information related to quasi-fiscal activities is not presented.

Comments: The response of the researcher has reference to the presentation of “off-budget” expenditures, which generally don’t specify the beneficiaries. That explains the rating. However, information about quasi-fiscal activities do not seem to be presented; the IMF in its 2015 report drew attention to this: <https://www.imf.org/external/pubs/ft/scr/2015/cr15156.pdf>

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the core information is presented for all quasi-fiscal activities.

Comments: The researcher mentioned that the core elements, in particular, the policy rationale or legal basis and the identification of nature of expenditures or intended beneficiaries, are provided. Given this, we recommend the rating to be changed from C to B.

Researcher Response

The suitable answer is c.

IBP Comment

Based on the feedback provided by the peer reviewer, a review of Table 16 confirms that it only provides information on off-budget accounts, and not the quasi-fiscal activities of public corporations. For this reason, the score is revised from C to D, as no quasi-fiscal activities of public corporations



are reported in the budget.

39. Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government?

(The core information must include a listing of the assets, and an estimate of their value.)

**GUIDELINES:**

*Question 39 focuses on financial assets held by the government, asking whether "core" information related to these assets is presented. These core components include:*

- A listing of the financial assets; and
- An estimate of their value.

*Governments own financial assets such as cash, bonds, or equities. Unlike private sector businesses, however, few governments maintain balance sheets that show the value of their assets and liabilities.*

*Beyond the core information, some governments may also provide other information about financial assets, including for example: a discussion of their purpose; historical information on defaults; differences between reported values and market values; and a summary of financial assets as part of the government's balance sheet.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to all financial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to financial assets is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on financial assets held by the government.*

**Answer:**

d. No, information related to financial assets is not presented.

**Source:**

The Budget Proposal documents do not contain any information on financial assets.

**Comment:**

1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Under the 1987 Philippine Constitution, the Commission on Audit has the exclusive function of accounting for government's financial condition, including consolidation and disclosure of financial and non-financial assets.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

c. Yes, information is presented, but it excludes some core elements or some financial assets.

Comments: Table E.4 (Balance Sheet of Selected Government Corporations, FY 2019) of the FY 2019 BESF presents financial assets (cash and investment in securities, and rest of current assets) held by Government Corporations. In addition, Table B.16 (Off-Budget Accounts, FY 2017-2019) presents cash balance as of December 31, 2017 held by some government agencies with regards to their off-budget accounts. Weblink: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E4.pdf> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B16.pdf>

**IBP Comment**

Thank you to the government reviewer for noting the assets held by state-owned corporations. This question asks about assets held by the central government, however. Furthermore, the off-budget account information is shown only for BY-1. Therefore, there researcher's original response of D is confirmed.

40. Does the Executive's Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government?

(The core information must include a listing of the assets by category.)

**GUIDELINES:**

*Question 40 focuses on nonfinancial assets held by the government, asking whether "core" information related to these assets is presented. The core information is a listing of nonfinancial assets, grouped by the type (or category) of asset.*

*Nonfinancial assets are things of value that the government owns or controls (excluding financial assets) such as land, buildings, and machinery. The valuation of public nonfinancial assets can be problematic, particularly in cases where the asset is not typically available on the open market (such as a government monument). In these cases, it is considered acceptable to provide summary information in budget documents from a country's register of assets. But, in some cases, governments are able to value their nonfinancial assets; some present a summary of nonfinancial assets as part of their balance sheets. For an example of how nonfinancial assets are presented in one of the many supporting documents to the New Zealand Executive's Budget Proposal, see the Forecast Financial Statement 2011, Notes to the Financial Statements (Continued), Note 14, accessible here: <https://treasury.govt.nz/sites/default/files/2011-05/befu11-pt6of8.pdf>.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year a listing by category of all nonfinancial assets held by the government as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to nonfinancial assets is presented, but some nonfinancial assets are not included. Answer "d" applies if no information is presented on nonfinancial assets held by the government.*

Answer:

d. No, information related to nonfinancial assets is not presented.

Source:

The Budget Proposal documents do not contain any information on non-financial assets.

Comment:

1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Under the 1987 Philippine Constitution, the Commission on Audit has the exclusive function of accounting for government's financial condition, including consolidation and disclosure of financial and non-financial assets.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, information is presented, but it excludes some nonfinancial assets.

Comments: Table E.4 (Balance Sheet of Selected Government Corporations, FY 2019) of the FY 2019 BESF presents nonfinancial assets (fixed assets - equipment, land and related improvements and others) held by Government Corporations. Weblink: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E4.pdf>

IBP Comment

Thank you to the government reviewer for noting the assets held by state-owned corporations. This question asks about assets held by the central government, however. Therefore, the researcher's original response of D is confirmed.

41. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure arrears for at least the budget year?

**GUIDELINES:**

*Question 41 asks about estimates of expenditure arrears, which arise when government has entered into a commitment to spend funds but has not made the payment when it is due. (For more information see sections 3.49-3.50 of the IMF's GFS Manual 2001, <http://www.imf.org/external/pubs/ft/qfs/manual/pdf/all.pdf> (page 29)). Though equivalent to borrowing, this liability is often not recorded in the budget, making it difficult to assess fully a government's financial position. Moreover, the obligation to repay this debt affects the government's ability to pay for other activities.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all expenditure arrears and a narrative discussing the arrears. If a narrative discussion is not included, but estimates for all expenditure arrears are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, expenditure arrears (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of expenditure arrears are presented.*

*If expenditure arrears do not represent a significant problem in your country, please mark "e." However, please exercise caution in answering this question. Public expenditure management laws and regulations often will allow for reasonable delays, perhaps 30 or 60 days, in the routine payment of invoices due. Expenditure arrears impacting a small percentage of expenditure that are due to contractual disputes should not be considered a significant problem for the purpose of answering this question.*

Answer:

d. No, estimates of expenditure arrears are not presented.

Source:

The Budget Proposal documents do not contain any information on expenditure arrears.

Comment:

1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Under the 1987 Philippine Constitution, the Commission on Audit has the exclusive function of accounting for government's financial condition, including consolidation and disclosure of financial and non-financial assets.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, estimates of some but not all expenditure arrears are presented.

Comments: Table E.4 (Balance Sheet of Selected Government Corporations, FY 2019) of the FY 2019 BESF presents liabilities of Government Corporations. Weblink: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E4.pdf>

IBP Comment

Thank you to the government reviewer for the reference. However, liabilities of public corporations are not the same as the expenditure arrears of the government. The researcher's score of D is confirmed.

42. Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs?

(The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

*GUIDELINES:*

*Question 42 focuses on contingent liabilities, asking whether "core" information related to these liabilities is presented. These core components include:*

- *a statement of purpose or policy rationale for each contingent liability;*
- *the new contingent liabilities for the budget year, such as new guarantees or insurance commitments proposed for the budget year; and*
- *the total amount of outstanding guarantees or insurance commitments at the end of the budget year. This reflects the gross exposure of the government in the case that all guarantees or commitments come due (even though that may be unlikely to occur).*

*Contingent liabilities are recognized under a cash accounting method only when the contingent event occurs and the payment is made. An example of such liabilities is the case of loans guaranteed by the central government, which can include loans to state-owned banks and other state-owned commercial enterprises, subnational governments, or private enterprises. Under such guarantees, government will only make a payment if the borrower defaults. Thus a key issue for making quantitative estimates of these liabilities is assessing the likelihood of the contingency occurring.*

*In the budget, according to the OECD, "[w]here feasible, the total amount of contingent liabilities should be disclosed and classified by major category reflecting their nature; historical information on defaults for each category should be disclosed where available. In cases where contingent liabilities cannot be quantified, they should be listed and described."*

*Beyond the core information, some governments may also provide other information about contingent liabilities, including for example: historical default rates for each program, and likely default rates in the future; the maximum guarantee that is authorized by law; any special financing associated with the guarantee (e.g., whether fees are charged, whether a reserve fund exists for the purpose of paying off guarantees, etc.); the duration of each guarantee; and an estimate of the fiscal significance and potential risks associated with the guarantees.*

*For more details on contingent liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and page 59 (Box 11) and Principle 3.2.3 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year all of the core information related to contingent liabilities as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to contingent liabilities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on contingent liabilities.*

Answer:

c. Yes, information is presented, but it excludes some core elements or some contingent liabilities.

Source:

Table D.3, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 477: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D3.pdf>

Table D.4, BESF FY 2019, page 478: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D4.pdf>

Table D.5, BESF FY 2019, pages 485-486: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/D5.pdf>

Table E.4, BESF FY 2019, pages 496-499: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/E4.pdf>

**Comment:**

The BESF FY 2019 present in Tables D.3, D.4 and D.5 present the government's outstanding domestic and foreign debt from liabilities already assumed by the National Government. On the other hand, Table E.4 shows the balance sheet of select government corporations, including summaries of their current and long-term domestic and foreign liabilities. However, the policy rationale for each contingent liability is not available.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

Comments: In addition, Special Provision No. 4 under the Unprogrammed Appropriations (2019 NEP page 1091) discusses the coverage of the Risk Management Program, which is to cover commitments made by, and obligations of the National Government in PPP concession agreements. Also, the 2019 Fiscal Risks Statements contain dedicated sections discussing contingent central government obligations (pages 35-58) and government steps to mitigate such risks. Weblink: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/UF.pdf> [https://www.dbm.gov.ph/wp-content/uploads/DBCC\\_MATTERS/FiscalRiskStatement/FISCAL\\_RISKS\\_STATEMENT\\_2019.pdf](https://www.dbm.gov.ph/wp-content/uploads/DBCC_MATTERS/FiscalRiskStatement/FISCAL_RISKS_STATEMENT_2019.pdf)

**Researcher Response**

There is agreement on "c" as the appropriate answer with due recognition to the additional comments of the Government Reviewer that Special Provision No. 4 under the Unprogrammed Appropriations (2019 NEP page 1091) discusses the coverage of the Risk Management Program, which is to cover commitments made by, and obligations of the National Government in PPP concession agreements. Also, the 2019 Fiscal Risks Statements contain dedicated sections discussing contingent central government obligations (pages 35-58) and government steps to mitigate such risks.

43. Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term?

(The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

**GUIDELINES:**

*Question 43 focuses on government's future liabilities and the sustainability of its finances over the longer-term, asking whether "core" information related to these issues is presented. These core components must include:*

- *Projections that cover a period of at least 10 years.*
- *The macroeconomic and demographic assumptions used in making the projections.*
- *A discussion of the fiscal implications and risks highlighted by the projections. Good public financial management calls for budgets to include fiscal sustainability analyses.*

*The IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>) recommends that governments regularly publish the projected evolution of the public finances over the longer term (see Principle 3.1.3.). Future liabilities are a particularly important element when assessing the sustainability of public finances over the long term. Future liabilities are the result of government commitments that, unlike contingent liabilities, are virtually certain to occur at some future point and result in an expenditure. A typical example consists of government obligations to pay pension benefits or cover health care costs of future retirees. Under a cash accounting system, only current payments associated with such obligations are recognized in the budget. To capture the future impact on the budget of these liabilities, a separate statement is required.*

*Beyond the core information, some governments may also provide other information about the sustainability of their finances, including for example: projections that cover 20 or 30 years; multiple scenarios with different sets of assumptions; assumptions about other factors (such as the depletion of natural resources) that go beyond just the core macroeconomic and demographic data; and a detailed presentation of particular programs that have long time horizons, such as civil service pensions.*

*For more details on future liabilities, see Guide to Transparency in Public Finances: Looking Beyond the Core Budget (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>).*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present all of the core information related to future liabilities and the sustainability of government finances over the longer term as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to future liabilities is*

presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on future liabilities and the sustainability of government's finances

Answer:

d. No, information related to future liabilities and the sustainability of finances over the longer term is not presented.

Source:

Chapter XXXIX, National Expenditure Program (NEP) FY 2019, pages 1069-1078: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/MPBF.pdf>

Chapter XL, NEP FY 2019, pages 1079-1088: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/PGF.pdf>

Comment:

The NEP FY 2017 shows some information on future liabilities in Chapter XXXIX, pages 1069-1078, titled "Miscellaneous Personnel Benefits Fund" and Chapter XL, pages 1079-1088, titled "Pension and Gratuity Fund." The document, however, lacks core information such as projections for at least 10 years.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

44. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind?

**GUIDELINES:**

*Question 44 asks about estimates of donor assistance, both financial and in-kind assistance. Such assistance is considered non-tax revenue, and the sources of this assistance should be explicitly identified. In terms of in-kind assistance, the concern is primarily with the provision of goods (particularly those for which there is a market that would allow goods received as in-kind aid to be sold, thereby converting them into cash) rather than with in-kind aid like advisors from a donor country providing technical assistance.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all donor assistance and a narrative discussing the assistance. If a narrative discussion is not included, but estimates for all donor assistance are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, donor assistance (regardless of whether it also includes a narrative discussion). Answer "c" also applies if the sources of donor assistance are not presented, but the total amount of donor assistance is presented as a single line item. Answer "d" applies if no estimates of donor assistance are presented. Select answer "e" if your country does not receive donor assistance.*

Answer:

a. Yes, estimates of all sources of donor assistance are presented, along with a narrative discussion.

Source:

Table B.13, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 402-405: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B13.pdf>

Table B.14, BESF 2019, pages 406-409: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B14.pdf>

Comment:

The BESF FY 2019 in Table B.13, pages 402-405, titled "Foreign-Assisted Projects, By Department/Agency, FY 2017-2019," and Table B.14, pages 406-409, titled "Foreign-Assisted Projects, By Donor/Creditor, FY 2017-2019," provide estimates of all sources of donor assistance. However, a narrative discussion is not included.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of all sources of donor assistance are presented, along with a narrative discussion.

Comments: Pages 34-36 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of the Foreign-Assisted Projects. Weblink: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Researcher Response

The revised answer is "a". As pointed out by the Government Reviewer, pages 34-36 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of the Foreign-Assisted Projects. <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

45. Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year?

(The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)

**GUIDELINES:**

*Question 45 focuses on tax expenditures, asking whether "core" information related to these tax preferences is presented. These core components must include for both new and existing tax expenditures:*

- a statement of purpose or policy rationale;
- a listing of the intended beneficiaries; and
- an estimate of the revenue foregone.

*Tax expenditures arise as a result of exceptions or other preferences in the tax code provided for specified entities, individuals, or activities. Tax expenditures often have the same impact on public policy and budgets as providing direct subsidies, benefits, or goods and services. For example, encouraging a company to engage in more research through a special tax break can have the same effect as subsidizing it directly through the expenditure side of the budget, as it still constitutes a cost in terms of foregone revenues. However, expenditure items that require annual authorization are likely to receive more scrutiny than tax breaks that are a permanent feature of the tax code.*

*Beyond the core information, some governments may also provide other information about tax expenditures, including for example: the intended beneficiaries by sector and income class (distributional impact); a statement of the estimating assumptions, including the definition of the benchmark against which the foregone revenue is measured; and a discussion of tax expenditures as part of a general discussion of expenditures for those program areas that receive both types of government support (in order to better inform policy choices). For more details on tax expenditures, see *Guide to Transparency in Public Finances: Looking Beyond the Core Budget* (<http://internationalbudget.org/wp-content/uploads/Looking-Beyond-the-Budget.pdf>) and Principle 1.1.4 of the IMF's *Fiscal Transparency Handbook* (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).*

*To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, all of the core information related to tax expenditures as well as some additional information beyond the core elements. To answer "b," the Executive's Budget Proposal or supporting documentation must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to tax expenditures is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on tax expenditures.*

Answer:

c. Yes, information is presented, but it excludes some core elements or some tax expenditures.

Source:

Table J.1.c, Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 777: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/J1c.pdf>

Table J.1.d, BESF FY 2019, pages 778-788: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/J1d.pdf>

Comment:

The BESF FY 2019 presents in Table J.1.c, page 777, titled "Investment Tax Expenditures, By Investment Promotion Agency (IPA), By Type of Tax Incentives, FY 2015-2017," and Table J.1.d, pages 778-788, titled "IPA, By Sector, By Type of Tax Incentives, FY 2016-2017," some information on tax expenditures. There is one line in statement B20 that projects tax expenditures for 2019: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B20.pdf>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

46. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues?

**GUIDELINES:**

Question 46 asks about estimates of earmarked revenues, which are revenues that may only be used for a specific purpose (for example, revenues from a tax on fuel that can only be used for building roads). This information is important in determining which revenues are available to fund the government's general expenses, and which revenues are reserved for particular purposes.

To answer "a," the Executive's Budget Proposal or supporting documentation must present for at least the budget year both estimates covering all earmarked revenues and a narrative discussing the earmarks. If a narrative discussion is not included, but estimates for all earmarked revenues are presented, then a "b" answer is appropriate. A "c" response applies if the presentation includes estimates covering only some, but not all, earmarked revenues (regardless of whether it also includes a narrative discussion). Answer "d" applies if no estimates of earmarked revenues are presented. An "e" response applies if revenue is not earmarked or the practice is disallowed by law or regulation.

**Answer:**

a. Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.

**Source:**

Table B.15, Budget of Expenditures and Sources of Financing (BESF) FY 2019, pages 410-416: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B15.pdf>

**Comment:**

The BESF FY 2019 provides in Table B.15 titled "Earmarked Revenues, 2017-2019," pages 410-416, estimates of all earmarked revenues for the budget year. However, a narrative discussion is not included.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.

Comments: Pages 32-34 of the Technical Notes on the 2019 Proposed National Budget provides a narrative discussion of Earmarked Revenues.

Weblink: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

**Researcher Response**

Since a narrative discussion is provided on pages 32-34 of the Technical Notes on the 2019 Proposed National Budget, I propose to change the answer from "b" to "a".

47. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?

**GUIDELINES:**

Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.

In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.

Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.

**Answer:**

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, along with a narrative discussion.

**Source:**

President's Budget Message FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/president-budget-message-fy-2019>

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

**Comment:**

The President's Budget Message FY 2019, especially the section on Budget Priorities on pages 14-39, provides estimates and a narrative on how the proposed budget is linked to the policy goals for the budget year. This is also elaborated in the Technical Notes on the 2019 Proposed National Budget, particularly in Section IV (Expenditure Priorities), pages 37-108.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

48. Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

**GUIDELINES:**

*Questions 47 and 48 ask about information that shows how the budget (both new proposals and existing policies) is linked to the government's policy goals. The budget is the executive's main policy document, the culmination of the executive's planning and budgeting processes. Therefore, it should include a clear description of the link between policy goals and the budget – that is, an explicit explanation of how the government's policy goals are reflected in its budget choices. For an example of a discussion of a government's policy goals in the budget, see pages 13-18 of New Zealand's 2011 Statement of Intent (<http://www.treasury.govt.nz/publications/abouttreasury/soi/2011-16>), one of the many documents supporting its budget.*

*In some countries the government prepares strategic/development plans. These plans include all the policies the government is planning to implement for the budget year and very often cover a multi-year perspective. In some cases, these plans do not match the budget documentation, and it is possible that they are completely disconnected from the Executive's Budget Proposal. So the question is examining whether government policy plans are "translated" into revenue and expenditure figures in the actual budget documents.*

*Question 47 asks about the information covering the budget year, and Question 48 asks about the period at least two years beyond the budget year. To answer "a," the Executive's Budget Proposal or supporting documentation must present both estimates of how the budget is linked to government's policy goals for the budget year (for Question 47) or for a multi-year period beyond the budget year (for Question 48) and a narrative discussion of how these policy goals are reflected in the budget. To answer "b" for either question, the Executive's Budget Proposal or supporting documentation must present estimates that show how the budget is linked to government's policy goals, but no narrative discussion is included. A "c" response applies if the presentation includes only a narrative discussion, or if it includes estimates that show how the budget is linked to some, but not all, of the government's policy goals (regardless of whether it also includes a narrative discussion). Answer "d" applies if no information is presented on how the budget is linked to government's policy goals.*

**Answer:**

a. Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, along with a narrative discussion.

**Source:**

Table A.2., Budget of Expenditures and Sources of Financing (BESF) FY 2019, page 2: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/A2.pdf>

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

**Comment:**

Table A.2 titled "National Government Fiscal Program, 2017-2021," page 2, of the BESF FY 2019 provides revenue and disbursement projections for 2020 and 2021. The Technical Notes on the 2019 Proposed National Budget, specifically Section II (Financing the National Expenditure Program), pages 8-28, presents a narrative discussion of the national fiscal strategy to support the budget that is linked to policy goals for a multi-year period.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree



49. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

**GUIDELINES:**

Question 49 asks about the availability of nonfinancial data on inputs for the budget year. (Nonfinancial data on outputs and outcomes are addressed in Question 50.)

The budget should disclose not only the amount of money that is being allocated on a program but also any information needed to analyze that expenditure. Nonfinancial data and performance targets associated with budget proposals are used to assess the success of a given policy. For example, even when allocated funds are spent according to plan, there remains the question of whether the policy delivered the results that it aimed to achieve.

Nonfinancial data can include information on:

*Inputs* - These are the resources assigned to achieve results. For example, in regards to education, nonfinancial data on inputs could include the number of books to be provided to each school or the materials to be used to build or refurbish a school.

*Outputs* - These are products and services delivered as a result of inputs. For example, the number of pupils taught every year; the number of children that received vaccines; or the number of beneficiaries of a social security program.

*Outcomes* - These are the intended impact or policy goals achieved. For example, an increase in literacy rates among children under 10, or a reduction in rates of maternal mortality.

In addition, governments that set performance targets must use nonfinancial data for outputs and outcomes to determine if these targets have been met.

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on inputs for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on inputs for each individual program is organized by functions. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on inputs for all administrative units or all functions, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on inputs are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on inputs is presented.

**Answer:**

b. Yes, nonfinancial data on inputs are presented for all administrative units (or functions) but not for all (or any) programs.

**Source:**

Staffing Summary 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/staffing-summary-2019>

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

**Comment:**

The Staffing Summary provides a listing of the number of authorized and filled positions by administrative unit. Section IV (Expenditure Priorities), pages 37-108 of the Technical Notes of the 2019 Proposed National Budget presents non-financial data as inputs for some programs and administrative units.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

b. Yes, nonfinancial data on inputs are presented for all administrative units (or functions) but not for all (or any) programs.

Comments: The Staffing Summary presents data on non-financial inputs (i.e., listing of the number of authorized and filled positions) for ALL administrative units. This merits a rating of B and not C.

**Researcher Response**

The revised answer is "b". The Staffing Summary presents data on non-financial inputs (i.e., listing of the number of authorized and filled positions) for all administrative units.

50. Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?

**GUIDELINES:**

Question 50 asks about the availability of nonfinancial data on results for the budget year. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 49).

To answer "a," the Executive's Budget Proposal or supporting documentation must present, for at least the budget year, nonfinancial data on results for each individual program within all administrative units (ministries, departments, and agencies). It is also acceptable if nonfinancial data on results for each individual program is organized by functional classification. To answer "b," the Executive's Budget Proposal or supporting documentation must present nonfinancial data on results for all administrative units or all functional classifications, but not for each individual program (or even for any programs) within those administrative units or functions. A "c" response applies if nonfinancial data on results are presented only for some programs and/or some administrative units or some functions. Answer "d" applies if no nonfinancial data on results is presented.

Answer:

b. Yes, nonfinancial data on results are presented for all administrative units (or functions) but not for all (or any) programs.

Source:

National Expenditure Program (NEP) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Congress of the Philippines, NEP FY 2019, pages 2-26: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/CONGRESS/CONGRESS.pdf>

Comment:

The NEP FY 2019 presents non-financial data on outputs. The Performance-Informed Budgeting approach was applied to guide the allocation of funds. The major final outputs and performance indicators of the agencies are presented in the NEP FY 2019. However, the NEP FY 2019 shows on pages 2-26 that some agencies like the Senate and House of Representatives have incomplete performance information.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

51. Are performance targets assigned to nonfinancial data on results in the Executive's Budget Proposal or any supporting budget documentation?

**GUIDELINES:**

*Question 51 asks about performance targets assigned to nonfinancial data on results for the budget year. The question applies to those nonfinancial results shown in the budget, and that were identified for purposes of Question 50.*

*To answer "a," the Executive's Budget Proposal or supporting documentation must assign performance targets to all nonfinancial data on results shown in the budget for at least the budget year. To answer "b," the Executive's Budget Proposal or supporting documentation must assign performance targets to a majority (but not all) of the nonfinancial data on results shown in the budget. A "c" response applies if performance targets are assigned only to less than half of the nonfinancial data on results. Answer "d" applies if no performance targets are assigned to nonfinancial data on results shown in the budget, or the budget does not present nonfinancial results.*

Answer:

b. Yes, performance targets are assigned to most nonfinancial data on results.

Source:

National Expenditure Program (NEP) FY 2019: <https://www.dbm.gov.ph/index.php/budget-documents/2019/national-expenditure-program-fy-2019>

Congress of the Philippines, NEP FY 2019, pages 2-26: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/CONGRESS/CONGRESS.pdf>

Comment:

The NEP FY 2019 presents performance target for non-financial data. Most of the Departments have identified performance targets, except for some offices such as the Senate and House of Representatives which have incomplete performance information.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

52. Does the Executive's Budget Proposal or any supporting budget documentation present estimates of policies (both new proposals and existing policies)

that are intended to benefit directly the country's most impoverished populations in at least the budget year?

**GUIDELINES:**

Question 52 asks whether the budget highlight policies, both new and existing, that benefit the poorest segments of society. This question is intended to assess only those programs that directly address the immediate needs of the poor, such as through cash assistance programs or the provision of housing, rather than indirectly, such as through a stronger national defense. This information is of particular interest to those seeking to bolster government's commitment to anti-poverty efforts. For purposes of answering this question, a departmental budget (such for the Department of Social Welfare) would not be considered acceptable. In general, this question is asking whether the EBP includes a special presentation that pulls together estimates of all the relevant policies in one place. However, if the country uses "program budgeting," where programs are presented as expenditure categories with specific and identified objectives, and it identifies anti-poverty programs within each administrative unit, then that is also acceptable for this question.

The IBP Budget Brief, "How Transparent are Governments When it Comes to Their Budget's Impact on Poverty and Inequality?"

(<https://www.internationalbudget.org/wp-content/uploads/government-transparency-of-budgets-impact-on-poverty-inequality-ibp-2019.pdf>) includes a discussion of countries that have provided information on how its policies affect the poor.

For instance, Pakistan provides a detailed breakdown of pro-poor expenditure as part of its 2017-18 budget proposal. In one document, the government sets out policy priorities, expected outputs, and estimates of past and future spending for several programs aimed at poverty alleviation. Another supporting document provides a comprehensive overview of ongoing policies, including a chapter on social safety nets, covering both financial and performance information of poverty alleviation schemes over a period of eight years. ([http://www.finance.gov.pk/budget/mtbf\\_2018\\_21.pdf](http://www.finance.gov.pk/budget/mtbf_2018_21.pdf) and [http://www.finance.gov.pk/survey\\_1718.html](http://www.finance.gov.pk/survey_1718.html)).

To answer "a," the Executive's Budget Proposal or supporting documentation must for at least the budget year both present estimates covering all policies that are intended to benefit the most impoverished populations and include a narrative discussion that specifically addresses these policies. (For countries using program budgeting that breaks out individual anti-poverty programs, there should be a separate narrative associated with each such program.) Answer "b" if a narrative discussion is not included, but estimates for all policies that are intended to benefit the most impoverished populations are presented. Answer "c" if the presentation includes estimates covering only some, but not all, policies that are intended to benefit the most impoverished populations (regardless of whether it also includes a narrative discussion). Answer "d" if no estimates of policies that are intended to benefit the most impoverished populations are presented.

Answer:

a. Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, along with a narrative discussion.

Source:

Technical Notes on the 2019 Proposed National Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/technical-notes-on-the-2019-proposed-national-budget>

Comment:

The Technical Notes on the 2019 Proposed National Budget, especially Section IV.D, pages 86-93, provides estimates covering all policies that are intended to benefit the most impoverished populations. A narrative discussion is presented on policies to increase the resilience of poor and vulnerable individuals through social protection mechanisms including the Pantawid Pamilyang Pilipino Program (Conditional Cash Transfer Program), Sustainable Livelihood Program, and Social Pension for Indigent Senior Citizens.

Peer Reviewer

Opinion: Agree

Comments: In fact, numerous places throughout the document present estimates and narratives.

Government Reviewer

Opinion: Agree

53. Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

**GUIDELINES:**

Question 53 asks about the budget timetable. An internal timetable is particularly important for the executive's management of the budget preparation process, in order to ensure that the executive accounts for the views of the different departments and agencies in the proposed budget. The timetable would, for instance, set deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. So that civil society is aware of the various steps in the budget formulation process, and when opportunities may exist to engage the executive, it is essential that this timetable be made available to the public.

To answer "a," the executive must prepare a detailed budget timetable and release it to the public. A "b" answer applies if the timetable is made public, but some details are not included. A "c" response applies if the timetable is made public, but many important details are excluded, reducing its value for those outside government. Answer "d" applies if no timetable is made available to the public. As long as a timetable for formulating the Executive's Budget Proposal is released, answer "a," "b," or "c" may be selected, even if the Executive's Budget Proposal is not made publicly available.

Answer:

a. Yes, a detailed timetable is released to the public.

Source:

Annex C (Calendar of Activities), National Budget Memorandum No. 129, January 3, 2018;

<https://www.dbm.gov.ph/wpcontent/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No129.pdf>

<https://www.dbm.gov.ph/index.php/issuances/dbm-issuances/national-budget-memorandum#2018>

Comment:

A Detailed Budget Preparation Calendar is contained in Annex C (Calendar of Activities) of National Budget Memorandum No. 129 (Budget Call for FY 2019). This was released to the public on January 3, 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

54. Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based?

(The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

*GUIDELINES:*

*Question 54 focuses on the macroeconomic forecast that underlies the Pre-Budget Statement, asking whether "core" information related to the economic assumptions is presented. These core components include a discussion of the economic outlook as well as estimates of the following:*

- *nominal GDP level;*
- *inflation rate;*
- *real GDP growth; and*
- *interest rates.*

*Beyond these core elements, some governments also provide additional information related to the economic outlook, including for instance: short- and long-term interest rates; the rate of employment and unemployment; GDP deflator; price of oil and other commodities; current account; exchange rate; and composition of GDP growth.*

*To answer "a," the Pre-Budget Statement must present all of the core information related to the macroeconomic forecast as well as some additional information beyond the core elements. To answer "b," the Pre-Budget Statement must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the macroeconomic forecast is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the macroeconomic forecast is presented.*

Answer:

a. Yes, information beyond the core elements is presented for the macroeconomic forecast.

Source:

National Budget Memorandum No. 130 (Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2, April 13, 2018, pages 2-7: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

Comment:

National Budget Memorandum No. 30 presents on pages 2-7 all the core information related to the macroeconomic forecast. See Table 1 on p.3 for projections of real GDP growth, inflation rates and interest rates (LIBOR and Treasury Bill Rates). Table 2 on p. 5 includes nominal GDP projections.

Additional information beyond the core elements are provided, including exchange rate, composition of GDP growth and unemployment rate.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

55. Does the Pre-Budget Statement present information on the government's expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of expenditure policies and priorities and an estimate of total expenditures.)

**GUIDELINES:**

*Question 55 focuses on the government's expenditure policies and priorities in the Pre-Budget Statement, asking whether "core" information related to these policies is presented. These core components include:*

- a discussion of expenditure policies and priorities; and
- an estimate of total expenditures.

*Although a Pre-Budget Statement is unlikely to include detailed programmatic proposals (such detailed information is typically only presented in the budget itself), it should include a discussion of broad policy priorities and a projection of at least total expenditures associated with these policies for the budget year. The Pre-Budget Statement can include some detail, for instance, estimates provided by any of the three expenditure classifications – by administrative, economic, and functional classifications.*

*To answer "a," the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government's expenditure policies and priorities as well as some additional information beyond the core elements. To answer "b," the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the government's expenditure policies and priorities is presented, but some of the core pieces of information are not included. Answer "d" applies if no information on the government's expenditure policies and priorities is presented.*

**Answer:**

a. Yes, information beyond the core elements is presented for the government's expenditure policies and priorities.

**Source:**

National Budget Memorandum No. 130 (Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2, April 13, 2018, Section 4.0 (Expenditure Directions for FY 2019), pages 7-12: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

**Comment:**

National Budget Memorandum No. 30 presents on pages 7-12 core information, with a discussion of broad policy priorities, especially on infrastructure development and social services, with a projection of total expenditures associated with these policies for the budget year. In addition, Annex A of provides some detail of expenditure estimates by administrative classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

56. Does the Pre-Budget Statement present information on the government's revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget?

(The core information must include a discussion of revenue policies and priorities and an estimate of total revenues.)

**GUIDELINES:**

*Question 56 focuses on the government's revenue policies and priorities in the Pre-Budget Statement, asking whether "core" information related to these policies is presented. These core components include:*

- a discussion of revenue policies and priorities; and
- an estimate of total revenue.

*Although a Pre-Budget Statement is unlikely to include detailed revenue proposals, it should include a discussion of broad policy priorities and a projection of at least the total revenue associated with these policies for the budget year. The Pre-Budget Statement can also include more detail, for instance, with*

estimates provided by revenue category – tax and non-tax – or some of the major individual sources of revenue, such as the Value Added Tax or the income tax.

To answer “a,” the Pre-Budget Statement must present for the upcoming budget year all of the core information related to the government’s revenue policies and priorities as well as some additional information beyond the core elements. To answer “b,” the Pre-Budget Statement must present all of the core components noted above for the upcoming budget year. Answer “b” is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A “c” answer applies if some information related to the government’s revenue policies and priorities is presented, but some of the core pieces of information are not included. Answer “d” applies if no information on the government’s revenue policies and priorities is presented.

Answer:

a. Yes, information beyond the core elements is presented for the government’s revenue policies and priorities.

Source:

National Budget Memorandum No. 130 (Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2, April 13, 2018, Section 3.2 (National Government Fiscal Environment, 2018-2022), pages 3-7: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

Comment:

National Budget Memorandum No. 30 presents on pages 3-7 core information, with a discussion of broad policy priorities, and a projection of at least the total revenue associated with these policies for the budget year. Additional information is provided with estimates from the implementation of the Comprehensive Tax Reform Program.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

57. Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

**GUIDELINES:**

Question 57 asks whether the Pre-Budget Statement includes three key estimates related to borrowing and debt:

- the amount of net new borrowing needed in the upcoming budget year;
- the central government’s total debt burden at the end of the upcoming budget year; and
- the interest payments on the outstanding debt for the upcoming budget year.

*Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.*

*Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.*

*Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.*

*To answer “a,” the Pre-Budget Statement must present all three estimates of borrowing and debt for at least the upcoming budget year. For a “b” answer, the Pre-Budget Statement must present two of those three estimates. For a “c” answer, the PBS must present one of the three estimates. Answer “d” applies if no information on borrowing and debt is presented in the PBS.*

Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Source:

National Budget Memorandum No. 130 (Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2, April 13, 2018, page 5: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

Comment:

National Budget Memorandum No. 130 presents on Table 2 p. 5 estimates of the total debt to GDP (nominal GDP and debt as percent of GDP).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, two of the three estimates related to government borrowing and debt are presented.

Comments: In addition, the budget deficit which represents the amount of net new borrowing required for the budget year (FY 2019) is presented in Table 2, page 5 of National Budget Memorandum No. 130. This refers to the Fiscal Balance or the difference between projected revenues and disbursements. We also note that this was considered in the 2017 OBS.

Researcher Response

The revised answer is "b". In addition, the budget deficit which represents the amount of net new borrowing required for the budget year (FY 2019) is presented in Table 2, page 5 of National Budget Memorandum No. 130.

58. Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

*GUIDELINES:*

*Question 58 asks about multi-year expenditure estimates in the Pre-Budget Statement.*

*To answer "a," expenditure estimates for at least two years beyond the upcoming budget year must be presented. The estimates must be for at least total expenditures, but could include more detail than just the aggregate total.*

Answer:

a. Yes, multi-year expenditure estimates are presented.

Source:

National Budget Memorandum No. 130 (Budget Priorities Framework for the Preparation of the FY 2019 Agency Budget Proposals under Tier 2, April 13, 2018, page 5 "Disbursements" presents projections for aggregate expenditures for up to 2022 (BY+3): <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No130.pdf>

Comment:

National Budget Memorandum No. 130 presents on pages 8-9 expenditure estimates for 2019 and 2020, or only a year beyond the budget year.

Peer Reviewer

Opinion: Agree

Comments: I agree with the rating, but the "comment" is misleading -- Table 2, Fiscal Aggregates, goes out to FY2022 for disbursements (without more detail). Pages 8-9 are about select "Major Infrastructure Projects."

Government Reviewer

Opinion: Agree

Researcher Response

The comment of the Peer Reviewer is duly noted. The reference to pages 8-9 is rather misplaced.

59. Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

*GUIDELINES:*

*Question 59 asks if expenditure estimates in the Enacted Budget are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by*

adherence to these international classification standards.

To answer "a," the Enacted Budget must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of the three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications. Answer "d" applies if expenditure estimates are not presented by any of the three classifications.

Answer:

a. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Source:

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Comment:

The General Appropriations Act FY 2018 provides expenditure estimates by administrative unit. Each agency budget is then presented by economic classification. Expenditure estimates are not shown by functional classification.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).

Comments: Similar to our response in the 2017 OBS, the functional classification based on COFOG in FY 2018 BESF Table B.7.b is updated based on the enacted budget and is published in the DBM website together with the FY 2018 GAA. The webpage where the updated tables are located is clearly labeled to indicate that the selected BESF tables were updated based on the FY 2018 GAA. Weblinks: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/select-updated-besf-tables-based-on-fy-2018-gaa> <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2018/BESF%20Table%20B.7.b.pdf>

Researcher Response

The Enacted Budget is the GAA rather than the BESF. The appropriate answer is "b".

IBP Comment

During an IBP review, this score is revised to A, as the BESF tables are updated and re-posted following the approval of the legislature. See all updated tables: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/select-updated-besf-tables-based-on-fy-2018-gaa> The functional classification is presented therefore in both the proposed version and approved versions of the BESF tables. EBP version: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2018/B7a.pdf> EB version, cited for this question: <https://www.dbm.gov.ph/wp-content/uploads/BESF2018/Table-B.7.pdf> (Published January 21, 2018, which is within three months of the approval of the budget on December 19, 2018)

59b. Based on the response to Question 59, check the box(es) to identify which expenditure classifications are included in the Enacted Budget:

Answer:

Administrative classification

Economic classification

Functional classification

Source:

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

Comment:

The General Appropriations Act FY 2018 provides expenditure estimates by administrative unit. Each agency budget is then presented by economic classification. Expenditure estimates are not shown by functional classification.

Peer Reviewer



Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Similar to our response in the 2017 OBS, the functional classification based on COFOG in FY 2018 BESF Table B.7.b is updated based on the enacted budget and is published in the DBM website together with the FY 2018 GAA. The webpage where the updated tables are located is clearly labeled to indicate that the selected BESF tables were updated based on the FY 2018 GAA.

Researcher Response

The Enacted Budget is the GAA while the BESF is part of the EBP.

IBP Comment

During an IBP review, this score is revised to include the functional classifications, as the cited BESF tables are updated and re-posted following the approval of the legislature. See all updated tables: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/select-updated-besf-tables-based-on-fy-2018-gaa> The functional classification is presented therefore in both the proposed version and approved versions of the BESF tables. EBP version: <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2018/B7a.pdf> EB version, cited for this question: <https://www.dbm.gov.ph/wp-content/uploads/BESF2018/Table-B.7.pdf> (Published January 21, 2018, which is within three months of the approval of the budget on December 19, 2018)

60. Does the Enacted Budget present expenditure estimates for individual programs?

**GUIDELINES:**

*Question 60 asks if expenditure estimates in the Enacted Budget are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Enacted Budget must present all programs, which account for all expenditures, in the budget year. To answer "b," the Enacted Budget must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Enacted Budget presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Enacted Budget.*

Answer:

a. Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.

Source:

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME%20-1A_FINAL.pdf)

[https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME-1B\\_FINAL.pdf](https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GAZETTE-2018-VOLUME-1B_FINAL.pdf)

Comment:

The General Appropriations Act FY 2018 and its annexes provide expenditure estimates by administrative units and special program funds (SPFs). Program-level detail is available for all departments except for SPFs that cannot be broken down any further.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

61. Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?

**GUIDELINES:**

*Question 61 asks whether revenue estimates in the Enacted Budget are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.*

*To answer "a," the Enacted Budget must present revenue estimates classified by category.*

Answer:

a. Yes, the Enacted Budget presents revenue estimates by category.

Source:

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

Comment:

The General Appropriations Act FY 2018 does not provide information on revenue estimates.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: c. Not applicable/other (please comment).

Comments: We reiterate our comments during the previous OBS. Under the Philippine budgeting system, the GAA approved by Congress is composed of appropriations (expenditures), while revenue measures are authorized in separate laws. Section 22, Article VII of the 1987 Constitution states that "The President shall submit to Congress, within thirty days from the opening of every regular session as the basis of the general appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures." The BESF submitted by the President to Congress provides estimates on revenues based on existing measures approved by Congress and proposed new revenue measures for approval as separate laws, and these serve as basis (financing source) for the proposed appropriations.

Researcher Response

The Enacted Budget is the GAA and it does not present revenue estimates by category.

IBP Comment

During an IBP review, it is noted that in the CB of the EB there are, on p. 6, categories of revenues shown for FY 2018:

<https://www.dbm.gov.ph/index.php/budget-documents/2018/2018-people-s-budget/2018-people-s-budget> As the CB can be considered a supporting document to the Enacted Budget, and is published within three months of the approval of the budget, this score is revised from B to A.

62. Does the Enacted Budget present individual sources of revenue?

**GUIDELINES:**

*Question 62 asks whether revenue estimates for individual sources of revenue are presented in the Enacted Budget. The question applies to both tax and non-tax revenue.*

*To answer "a," the Enacted Budget must present all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Enacted Budget must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Enacted Budget presents individual sources of revenue that account for less than two-thirds of revenues. Answer "d" applies if individual sources of revenue are not presented.*

Answer:

d. No, the Enacted Budget does not present individual sources of revenue.

Source:

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018>

Comment:

The General Appropriations Act FY 2018 does not provide information on sources of revenue.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: Similar to our comment in item #61, individual revenue sources are available in the BESF which serves as the basis of the proposed appropriations.

IBP Comment

Thank you to the government reviewer. See also response to Q61 - however as there are no revenues in either the citizen's budget of the EB or the

updated BESF tables about individual sources of revenues, this score remains D.

63. Does the Enacted Budget present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

**GUIDELINES:**

*Question 63 asks about three key estimates related to borrowing and debt:*

- *the amount of net new borrowing required during the budget year;*
- *the total debt outstanding at the end of the budget year;*
- *the interest payments on the outstanding debt for the budget year.*

*Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens, banks, and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.*

*Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.*

*Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.*

*To answer "a," the Enacted Budget must present all three estimates of borrowing and debt. For a "b" answer, the Enacted Budget must present two of those three estimates. For a "c" answer, the Enacted Budget must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in the Enacted Budget.*

**Answer:**

b. Yes, two of the three estimates related to government borrowing and debt are presented.

**Source:**

General Appropriations Act FY 2018, Volume I-B, page 1813: <https://www.dbm.gov.ph/index.php/budget-documents/2018/general-appropriations-act-fy-2018/gaa-volume-ib>

<https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/ANNEX.pdf>

**Comment:**

The General Appropriations Act FY 2018, Volume I-B, presents on page 1813 information on interest payments on outstanding debt.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer: e. Not applicable/other (please comment).

Comments: Similar to our comment in item #61, the net new borrowings and the total debt outstanding are identified in the BESF. Together with the revenue projections, it will serve as the basis of the proposed appropriations.

**Researcher Response**

The Enacted Budget is the GAA rather than the BESF which is part of the EBP.

**IBP Comment**

The researcher is correct - the updated versions of the BESF based on the approved budget do not contain updated figures for either net new borrowing or total debt outstanding. However, the CB of the EB does show a deficit figure: see p. 5 <https://www.dbm.gov.ph/index.php/budget-documents/2018/2018-people-s-budget/2018-people-s-budget> As the CB of the EB is considered a supporting document to the EB, the score is revised from C to B.

64. What information is provided in the Citizens Budget?

(The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

**GUIDELINES:**

*Question 64 focuses on the content of the Citizens Budget, asking whether "core" information is presented. These core components include:*

- expenditure and revenue totals;
- the main policy initiatives in the budget;
- the macroeconomic forecast upon which the budget is based; and
- contact information for follow-up by citizens.

*To answer "a," the Citizens Budget or supporting documentation must present all of the above core information as well as some additional information beyond the core elements. To answer "b," the Citizens Budget must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if the Citizens Budget includes some of the core components above, but other core pieces of information are not included. Answer "d" applies if a Citizens Budget is not published.*

**Answer:**

a. The Citizens Budget provides information beyond the core elements.

**Source:**

2019 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

**Comment:**

The 2019 People's Proposed Budget presents the core information, including expenditure and revenue totals, main policy initiatives in the budget, macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens. Beyond the core elements, information is also given on borrowings and debt, budget cycle, and glossary of terms.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

65. How is the Citizens Budget disseminated to the public?

**GUIDELINES:**

*Question 65 asks how the Citizens Budget is disseminated to the public. Citizens Budgets should be made available to a variety of audiences. Therefore paper versions and an Internet posting of a document might not be sufficient.*

*To answer "a," the executive must use three or more different types of creative media tools to reach the largest possible share of the population, including those who otherwise would not normally have access to budget documents or information. Dissemination would also be pursued at the very local level, so that the coverage is targeted both by geographic area and population group (e.g., women, elderly, low income, urban, rural, etc.). Option "b" applies if significant dissemination efforts are made through a combination of two means of communications, for instance, both posting the Citizens Budget on the executive's official website and distributing printed copies of it. Option "c" applies if the Citizens Budget is disseminated through only posting on the executive's official website. Option "d" applies when the executive does not publish a Citizens Budget.*

**Answer:**

a. A Citizens Budget is disseminated widely through a combination of at least three different appropriate tools and media (such as the Internet, billboards, radio programs, newspapers, etc.).

**Source:**

2019 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

**Comment:**

The dissemination efforts on the 2019 People's Proposed Budget focused on various means of communication, specifically posting on the Internet and the distribution of printed copies to stakeholders. The Department of Budget and Management (DBM) also encourages its reproduction, copying, printing, and/or dissemination or parts thereof exclusively for personal and non-commercial use and with proper acknowledgment of the DBM or its

other sources. Unlike the past, there was no audio-visual presentation for 2018 People's budget.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

Comments: The publication of the People's Budget in the DBM website is also announced in the DBM's social media accounts (e.g., facebook).  
Weblink: [https://m.facebook.com/story.php?story\\_fbid=2134816590105932&id=1760943837493211](https://m.facebook.com/story.php?story_fbid=2134816590105932&id=1760943837493211)

IBP Comment

During an IBP review, the response for this question is revised from B to A recognizing that social media is considered a separate form of dissemination, in addition to printed copies and posting of the citizens budget on the website.

66. Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?

**GUIDELINES:**

*Question 66 asks whether the executive has established mechanisms to identify the public's requirements for budget information before publishing a Citizens Budget. What the public wants to know about the budget might differ from the information the executive includes in technical documents that comprise the Executive's Budget Proposal or the Enacted Budget; similarly, different perspectives might exist on how the budget should be presented, and this may vary depending on the context. For this reason the executive should consult with the public on the content and presentation of the Citizens Budget.*

*To answer "a," the executive must have established mechanisms to consult with the public, and these mechanisms for consultation are both accessible and widely used by the public. Such mechanisms can include focus groups, social networks, surveys, hotlines, and meetings/events in universities or other locations where people gather to discuss public issues. In countries where Citizens Budgets are consistently produced and released, it may be sufficient for the government to provide the public with contact information and feedback opportunities, and subsequently use the feedback to improve its management of public resources.*

*Option "b" applies if the executive has established mechanisms for consultation that are accessible to the public, but that the public nonetheless does not use frequently. That is, the public does not typically engage with the executive on the content of the Citizens Budget, even though the executive has created opportunities for such consultation. Option "c" applies if the executive has established mechanism for consultation with the public, but they are poorly designed and thus not accessible to the public. Option "d" applies if the executive has not created any mechanisms to seek feedback from the public on the content of the Citizens Budget.*

Answer:

a. Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget, and these mechanisms are accessible and widely used by the public.

Source:

2018 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2018/2018-people-s-budget/2018-people-s-proposed-budget>

Comment:

A Survey Feedback Form is included in the Citizens Budget that is posted in the website of the Department of Budget and Management (DBM). The feedback forms are submitted to the Budget Information and Training Service of the DBM or sent by email to [bits@dbm.gov.ph](mailto:bits@dbm.gov.ph). The feedback from the previous year's Citizens Budget was used to identify the public's requirements for budget information for the 2019 People's Proposed Budget.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

67. Are "citizens" versions of budget documents published throughout the budget process?

**GUIDELINES:**

*Question 67 asks if "citizens" versions of budget documents are published throughout the budget process. While the Citizens Budget was initially conceived as a simplified version of the Executive's Budget Proposal or the Enacted Budget, good practice is now evolving and suggests that a "citizens" version of key*

*budget documents should be produced during each of the four phases of the budget cycle. This would serve to inform citizens of the state of public financial management throughout the entire budget cycle.*

*To answer "a," a citizens version of at least one budget document is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit) – for a total of at least four citizens budget documents throughout the process. Option "b" applies if a citizens version of a budget document is published for at least two of the four stages of the budget process. Option "c" applies if a citizens version of a budget document is published for at least one of the four stages of the budget process. Select option "d" if no "citizens" version of budget documents is published.*

Answer:

b. A citizens version of budget documents is published for at least two of the four stages of the budget process.

Source:

2019 People's Proposed Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2019/2019-people-s-budget/2019-budget-at-a-glance-proposed-2>

2018 People's Budget: <https://www.dbm.gov.ph/index.php/budget-documents/2018/2018-people-s-budget/2018-people-s-budget>

Comment:

The Citizens Budget is published for two of the four stages of the budget process. The 2019 People's Proposed Budget is published for the budget preparation phase while the 2018 People's Budget is published for the budget enactment phase.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

Comments: In addition, the Commission on Audit publishes an Audit-in-Brief of the report on the Citizens' Participatory Audit. Weblink: <https://cpa.coa.gov.ph/cpa-wash-cagayan-de-oro-2017/>

Researcher Response

The answer is still "b" with a recognition that a citizens version is also provided for budget audit.

IBP Comment

IBP confirms the score of B, however, notes that the WASH audit does not count as a CB of the Audit of the whole-of-government financial statements. However, there are citizens budgets for the formulation stage (PBS and EBP) and enactment stage (EB), meaning that the score is B.

68. Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?

*GUIDELINES:*

*Question 68 asks if expenditure estimates in In-Year Reports are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above.*

*Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.*

*To answer "a," In-Year Reports must present actual expenditures by all three of the expenditure classifications. To answer "b," actual expenditures must be presented by two of these three classifications. A "c" answer applies if actual expenditures are presented by one of the three classifications. Answer "d" applies if actual expenditures are not presented by any of the three classifications in In-Year Reports.*

Answer:

b. Yes, the In-Year Reports present actual expenditures by two of the three expenditure classifications.

Source:

Report on Utilization of Notices of Cash Allocation for National Government Agencies and Budgetary Support for National Government Agencies and Budgetary Support to GOCCs and LGUs, as of August 2018: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

NG Disbursement Report August 2018, p. 2 for economic classification  
[https://www.dbm.gov.ph/images/August-2018-Assessment\\_for-posting.pdf](https://www.dbm.gov.ph/images/August-2018-Assessment_for-posting.pdf)

Comment:

The In-Year Reports (IYRs) present actual expenditures by two of the three expenditure classifications. The Department of Budget and Management

(DBM) publishes several IYRs, including the monthly Report on Utilization of Notices of Cash Allocation for National Government Agencies and Budgetary Support to GOCCs and LGUs which presents actual expenditures by administration classification. On the other hand, the monthly National Government Disbursements Performance shows actual expenditures by economic classification. The DBM also publishes quarterly Statements of Allotments, Obligations and Balances which present expenditures by both administrative and economic classification.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

68b. Based on the response to Question 68, check the box(es) to identify which expenditure classifications are included in the In-Year Reports:

Answer:

Administrative classification  
Economic classification

Source:

Report on Utilization of Notices of Cash Allocation for National Government Agencies and Budgetary Support for National Government Agencies and Budgetary Support to GOCCs and LGUs, as of August 2018: <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization#2018>

NG Disbursement Report August 2018, p. 2 for economic classification  
[https://www.dbm.gov.ph/images/August-2018-Assessment\\_for-posting.pdf](https://www.dbm.gov.ph/images/August-2018-Assessment_for-posting.pdf)

Comment:

The In-Year Reports (IYRs) present actual expenditures by two of the three expenditure classifications. The Department of Budget and Management (DBM) publishes several IYRs, including the monthly Report on Utilization of Notices of Cash Allocation for National Government Agencies and Budgetary Support to GOCCs and LGUs which presents actual expenditures by administration classification. On the other hand, the monthly National Government Disbursements Performance shows actual expenditures by economic classification. The DBM also publishes quarterly Statements of Allotments, Obligations and Balances which present expenditures by both administrative and economic classification.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

69. Do the In-Year Reports present actual expenditures for individual programs?

*GUIDELINES:*

*Question 69 asks if expenditure estimates in In-Year Reports are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," In-Year Reports must present actual expenditures for all individual programs, accounting for all expenditures. To answer "b," In-Year Reports must present actual expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if In-Year Reports present actual expenditures for programs that account for less than two-thirds of expenditures. Answer "d" applies if actual expenditures are not presented by program in In-Year Reports.*

Answer:

a. Yes, the In-Year Reports present actual expenditures for programs accounting for all expenditures.

Source:

National Government Disbursements Performance, as of August 2018: [https://www.dbm.gov.ph/images/August-2018-Assessment\\_for-posting.pdf](https://www.dbm.gov.ph/images/August-2018-Assessment_for-posting.pdf)

Comment:

The National Government Disbursements Performance, as of August 2018, presents actual expenditures for individual programs. <https://www.dbm.gov.ph/index.php/programs-projects/status-of-nca-utilization/222-dbm-releases/2018-status-of-nca-utilization/1207-2018-status-of-nca-utilization-as-of-august-2018>

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

70. Do the In-Year Reports compare actual year-to-date expenditures with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

*GUIDELINES:*

*Question 70 asks whether In-Year Reports compare actual expenditures to-date with either the enacted levels or actual expenditures for the same period in the previous year.*

*The OECD recommends that the reports contain the total year-to-date expenditures in a format that allows for a comparison with the budget's forecast expenditures (based on enacted levels) for the same period.*

*To answer "a," comparisons must be made for expenditures presented in the In-Year Reports*

Answer:

a. Yes, comparisons are made for expenditures presented in the In-Year Reports.

Source:

National Government Disbursements Performance, as of August 2018: [https://www.dbm.gov.ph/images/August-2018-Assessment\\_for-posting.pdf](https://www.dbm.gov.ph/images/August-2018-Assessment_for-posting.pdf)

Comment:

Comparisons are made for expenditures presented in the In-Year Reports. For instance, the National Governments Disbursements Performance for the month of August 2018 provides a comparison of year-to-date expenditures with that of the same period from the previous year.

Peer Reviewer

Opinion: Agree

Comments: The comparison of FY2018 spending to FY2017 spending is for overall totals, not by program (as was the case in the response to Q69. In short, by program is only the current year against total current year budget.

Government Reviewer

Opinion: Agree

71. Do In-Year Reports present actual revenue by category (such as tax and non-tax)?

*GUIDELINES:*

*Questions 71 asks whether In-Year Reports present actual revenues by "category"— that is, whether tax and non-tax sources of revenue are shown separately.*

*To answer "a," In-Year Reports must present revenue estimates classified by category.*

Answer:

a. Yes, In-Year Reports present actual revenue by category.

Source:



National Government Cash Operation Report, CY 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary_open.pdf)

National Government Cash Operation Report, CY 2017: [http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary_open.pdf)

**Comment:**

The National Government Cash Operation Report, CY 2018 and CY 2017 and the National Government Revenues CY 2018 and CY 2017 present data on tax and non-tax revenues.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

72. Do In-Year Reports present the individual sources of revenue for actual revenues collected?

**GUIDELINES:**

*Question 72 asks whether In-Year Reports present actual collections of individual sources of revenue (such as income taxes, VAT, etc.). The question applies to both tax and non-tax revenue.*

*To answer "a," In-Year Reports must present actual collections for all individual sources of revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," In-Year Reports must present actual collections for individual sources of revenue that when combined account for at least two-thirds of all revenue collected, but not all revenue. A "c" answer applies if In-Year Reports present individual sources of actual revenue that account for less than two-thirds of all revenue collected. Answer "d" applies if individual sources of actual revenue are not presented.*

**Answer:**

c. Yes, In-Year Reports present individual sources of actual revenue accounting for less than two-thirds of all revenue.

**Source:**

National Government Cash Operation Report, CY 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary_open.pdf)

**Comment:**

The National Government Cash Operation Report, CY 2018 and CY 2017 show individual sources of actual revenue. However, a substantial amount of revenues (more than 2/3) is presented by category or department, not individual source, therefore the response is C.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

73. Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

**GUIDELINES:**

*Question 73 asks whether In-Year Reports compare actual revenues to-date with either the enacted levels or actual revenues for the same period in the previous year.*

*The OECD recommends that the reports contain the total year-to-date revenues in a format that allows for a comparison with the budget's forecast revenues (based on enacted levels) for the same period.*

*To answer "a," comparisons must be made for revenues presented in the In-Year Reports.*

**Answer:**

a. Yes, comparisons are made for revenues presented in the In-Year Reports.

Source:

National Government Cash Operation Report, CY 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary_open.pdf)

National Government Cash Operation Report, CY 2017: [http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary_open.pdf)

Comment:

The National Government Cash Operation Report, CY 2018 and CY 2017 present year-to-date revenue estimates as well as data for the same period from the previous year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

74. Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

*GUIDELINES:*

*Question 74 asks about three key estimates related to borrowing and debt:*

- *the amount of net new borrowing so far during the year;*
- *the central government's total debt burden at that point in the year; and*
- *the interest payments to-date on the outstanding debt.*

*Debt is the accumulated amount of money that the government borrows. The government can borrow from its citizens and banks and businesses within the country (domestic debt) or from creditors outside the country (external debt). External debt is typically owed to private commercial banks, other governments, or international financial institutions such as the World Bank and the International Monetary Fund.*

*Net new borrowing is the additional amount of new borrowing that is required for the budget year to finance expenditures in the budget that exceed available revenues. Net new borrowing adds to the accumulated debt. It is distinct from gross borrowing, which also includes borrowing needed to repay existing debt that matured during the budget year; debt that is replaced (or rolled over) does not add to the total of accumulated debt.*

*Interest payments on the debt (or debt service costs) are typically made at regular intervals, and these payments must be made on a timely basis in order to avoid defaulting on the debt obligation. Interest payments are separate from the repayment of principal, which occurs only when the loan has matured and must be paid back in full.*

*To answer "a," In-Year Reports must present all three estimates of borrowing and debt. For a "b" answer, In-Year Reports must present two of those three estimates. For a "c" answer, IYRs must present one of the three estimates. Answer "d" applies if no information on borrowing and debt is presented in In-Year Reports.*

Answer:

a. Yes, all three estimates related to government borrowing and debt are presented.

Source:

National Government Cash Operation Report, CY 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/04/COR-Summary_open.pdf)

National Government Cash Operation Report, CY 2017: [http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary\\_open.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/01/COR-Summary_open.pdf)

<http://www.treasury.gov.ph/wp-content/uploads/2018/04/OS-Debt.pdf>

Comment:

The National Government Cash Operation Report, CY 2018 and CY 2017 present the core information on the new net borrowing during the year, total debt burden, and interest payments on the outstanding debt.

Peer Reviewer

Opinion: Agree

Comments: I agree with the rating, but the citation seems to be incorrect. The information is found in the document referred to with respect to Q75: Debt Indicators, as of June 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/07/debtindic\\_june.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/07/debtindic_june.pdf)

Government Reviewer

Opinion: Agree

Researcher Response

The citation provided by the Peer Reviewer is duly noted.

75. Do In-Year Reports present information related to the composition of the total actual debt outstanding?

(The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

**GUIDELINES:**

*Question 75 focuses on the composition of government debt, asking whether "core" information related to its composition is presented. These core components include:*

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

*The interest rates affect the amount of interest that must be paid to creditors. The maturity profile indicates the final payment date of the loan, at which point the principal (and all remaining interest) is due to be paid; government borrowing typically includes a mix of short-term and long-term debt. As discussed in Question 74, domestic debt is held by a country's citizens and banks and businesses, while external debt is held by foreigners. These factors related to the composition of the debt give an indication of the potential vulnerability of the country's debt position, and ultimately whether the cost of servicing the accumulated debt is affordable.*

*Beyond these core elements, a government may also provide additional information related to the composition of its debt, including for instance: whether interest rates are fixed or variable; whether debt is callable; the currency of the debt; a profile of the creditors (bilateral institutions, multilateral institutions, commercial banks, Central Bank, etc.); an analysis of the risk associated with the debt; and where appropriate, what the debt is being used to finance.*

*To answer "a," In-Year Reports must present all of the core information related to the composition of government debt to-date as well as some additional information beyond the core elements. To answer "b," In-Year Reports must present all of the core components noted above. Answer "b" is also accepted if one of the core elements is not presented but additional information beyond the core elements is presented. A "c" answer applies if some information related to the composition of government debt is presented, but some of the core pieces of information are not included. Answer "d" applies if no information is presented on the composition of the debt outstanding in In-Year Reports.*

Answer:

b. Yes, the core information is presented for the composition of the total actual debt outstanding.

Source:

Debt Indicators, as of June 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/07/debtindic\\_june.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/07/debtindic_june.pdf)

National Government Outstanding Debt, as of June 2018: [http://www.treasury.gov.ph/wp-content/uploads/2018/07/OS-NG\\_DEBT\\_June2018.pdf](http://www.treasury.gov.ph/wp-content/uploads/2018/07/OS-NG_DEBT_June2018.pdf)

<http://www.treasury.gov.ph/wp-content/uploads/2018/04/Outstanding-Treasury-Bonds-as-of-March-31-2018.pdf>

Comment:

The In-Year Reports of the Bureau of the Treasury on Debt Indicators, as of June 2018, and the National Government Outstanding Debt, as of December 2018, present such core information as maturity profile of the debt, and whether the debt is domestic or external. Beyond the core elements, additional information is given on the currency of the debt and profile of creditors.

Missing is the interest rates on debt instruments.

Peer Reviewer

Opinion: Agree

Comments: This is a judgement call – it might be an "a" since additional details are indeed given. However, while interest payments are provided, interest rates are not. And maturity is merely "medium-term" versus "long term." So, this might downgrade it to the "b" level as rated by the researcher.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, information beyond the core elements is presented for the composition of the total actual debt outstanding.

Comments: Table 17, Page 25 of the National Government Debt Statistical Bulletin published in March 2018 presents Domestic Government Securities by Type of Interest Rate. Weblink: <http://www.treasury.gov.ph/wp-content/uploads/2018/03/Debt-Statistical-Bulletin-December-2017.pdf>

Researcher Response

The revised answer is "a". Table 17, Page 25 of the National Government Debt Statistical Bulletin published in March 2018 presents Domestic Government Securities by Type of Interest Rate.

IBP Comment

Thank you to the government reviewer for noting the National Government Debt Statistical Bulletin. However, as this document is only published once per year, it is not considered an in-year report, which needs to be published at least quarterly. The researcher's original response of B is maintained.

76. Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?

*GUIDELINES:*

*Question 76 asks whether the Mid-Year Review includes an updated macroeconomic forecast for the budget year, and provides an explanation of the update.*

*Refer to Question 15 for the components of the macroeconomic forecast presented in the Executive's Budget Proposal.*

*To answer "a," the Mid-Year Review must include an updated macroeconomic forecast and explain all of the differences between the initial forecast presented in the Executive's Budget Proposal and the updated forecast. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the macroeconomic forecast must be updated, but only some of the differences between the initial and updated forecasts are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes an updated macroeconomic forecast, but does not provide an explanation for the revisions. A "d" response applies if the macroeconomic forecast has not been updated.*

Answer:

b. Yes, the estimates for macroeconomic forecast have been updated, and an explanation of some of the differences between the original and updated forecasts is presented.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018:

<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

The Mid-Year review published in September 2018 is mostly a progress report with no revised projections for the remainder of the year. There is confirmation of the GDP growth rate on p. 29, a discussions of interest rates (but no projection) on p. 30, and interest rates on p. 31. There is some information beyond the core (export growth and exchange rate).

The 'updated' Mid-Year Report on the 2018 National Budget provides information beyond the core, with data on GDP growth rate on p. 29. However, this report was published late.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the estimates for macroeconomic forecast have been updated, and an explanation of some of the differences between the original and updated forecasts is presented.

Comments: Table 3 of the original Mid-Year Report has some selected macro-economic assumptions that were revised in mid-year, along with the actual first-half results. These differences are then explained in Section IV (pp. 29-32).

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the estimates for the macroeconomic forecast have been updated, and an explanation of all of the differences between the original and updated forecasts is presented.

Comments: In addition to the comments of the researcher, Table 3, page 11 of the FY 2018 Mid-Year Report presents a comparison of the forecasts in the FY 2018 BESF (published July 2017) and the updated forecasts approved by the Development Budget Coordination Committee on July 2, 2018 and presented in the FY 2019 BESF (published July 2018). The updated forecasts take into account the recent macroeconomic developments discussed in pages 6 to 11. The Macroeconomic Outlook portion of Section IV (pages 29-34) provides additional explanation of the changes in macroeconomic forecasts as well as a discussion of measures that will address high inflation.

Researcher Response

I revise my answer from "c" to "b". I agree with the Peer Reviewer, as well as the Government Reviewer, that Table 3 of the original Mid-Year Report has some selected macro-economic assumptions that were revised in mid-year, along with the actual first-half results. These differences are then explained in Section IV (pp. 29-32).

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> As the forecast for GDP growth (but not nominal GDP) is discussed and maintained on p. 29, and Table 3 includes both a projection of interest rates, inflation rates, and indicators that are beyond-the-core, the researcher's response to upgrade the score from C to B is confirmed.

77. Does the Mid-Year Review of the budget include updated expenditure estimates for the budget year underway?

**GUIDELINES:**

*Question 77 asks whether the Mid-Year Review includes updated estimates of expenditure for the budget year, and provides an explanation of the update.*

*To answer "a," the Mid-Year Review must include updated expenditure estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. The expenditure estimates must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated expenditure estimates, but does not provide an explanation for the revisions. A "d" response applies if the expenditure estimates have not been updated.*

**Answer:**

a. Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.

**Source:**

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 24-28: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

**Comment:**

The Mid-Year Report published by end of September, 2018, has no revised projections for disbursement estimates for the remainder of FY 2018, only first semester actual information. P. 34-35 has some discussion of changed targets, but the targets are not reported. The 'updated' MYR on the 2018 National Budget presents on pages 24-28 an estimate as well as discussion of original vis-à-vis updated expenditures six months into the budget year, however, these were published outside the timeframe acceptable under OBS methodology.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

**Suggested Answer:**

a. Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.

**Comments:** Table 4, page 12 of the FY 2018 Mid-Year Report presents a comparison of the projections in the FY 2018 BESF (published July 2017) and the updated estimates (labeled as program) in the FY 2019 BESF (published July 2018). It shall be noted that the updated estimates were approved by the Development Budget Coordination Committee on July 2, 2018 and takes into account recent developments. In addition, pages 11 to 13 provides an explanation of the changes between the original projections in the FY 2018 BESF and the updated estimates in the FY 2019 BESF.

**Researcher Response**

I agree to change the answer from "d" to "c" since page 12 of the 2018 Mid-Year Report presents in Table 4 a comparison of the projections in the 2018 BESF and updated estimated in the 2019 BESF.

**IBP Comment**

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> The government reviewer's and researcher's reference to Table 4 is confirmed - it shows the original and updated estimates for the year of total expenditures by current and capital breakdown. As there is some discussion of the differences in projected expenditures on pages 12-13 a score of A is appropriate.

78. Does the Mid-Year Review of the budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

**GUIDELINES:**

*Question 78 asks if expenditure estimates in the Mid-Year Review are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.*

*To answer "a," the Mid-Year Review must present expenditure estimates by all three of the expenditure classifications. To answer "b," expenditure estimates must be presented by two of these three classifications. A "c" answer applies if expenditure estimates are presented by one of the three classifications.*

Answer "d" applies if expenditure estimates are not presented by any of the three classifications in the Mid-Year Review.

Answer:

d. No, the Mid-Year Review does not present expenditure estimates by any expenditure classification.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 24-27: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

The Mid-Year Report published by end of September, 2018, has no revised projections for disbursement estimates for the remainder of FY 2018, only first semester actual information. P. 34-35 has some discussion of changed targets, but the targets are not reported.

The 'updated' MYR on the 2018 National Budget presents updated expenditure estimates by administrative classification on page 24 and by economic classification on page 27. However, this report was published late.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Mid-Year Review presents expenditure estimates by only one of the three expenditure classifications.

Comments: The comment is confusing since the original and "updated" Mid-Year Reports provide the same information about expenditure classifications. Table 14 in both documents present data with regard to economic classification. What is there is the programmed versus actual expenditures for the first half of the Fiscal Year; I presume that counts as "expenditure estimates." Note that it does not provide any revised totals for the Fiscal Year -- totals are apparently regarded as fixed by the Enacted Budget. I do not regard Table 13 as sufficiently detailed to count as administrative classification -- for instance, all National Government Agencies are all lumped together. Thus, (c); only one.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the Mid-Year Review presents expenditure estimates by only one of the three expenditure classifications.

Comments: Table 4, page 12 of the FY 2018 Mid-Year Report presents the updated estimates by broad economic classification similar to Table A.2 of the FY 2019 BESF.

Researcher Response

I revise the answer from "d" to "c". Table 4, page 12 of the FY 2018 Mid-Year Report presents the updated estimates by broad economic classification.

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> To the peer reviewer's point - this question looks only at expenditure tables that have revised projections for the remainder of the fiscal year. Therefore Table 13 and 14 do not qualify as they only cover the first semester. To the government reviewer's point - As Table 4 only provides a current/capital breakdown of expenditures, this is not sufficient detail to qualify as an economic classification by OMB standards. The researcher's original score of D is confirmed.

78b. Based on the response to Question 78, check the box(es) to identify which expenditure classifications are included in the Mid-Year Review:

Answer:

None of the above

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 24-27: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

Only the 'updated' Mid-Year Report on the 2018 National Budget presents updated expenditure estimates by administrative classification on page 24 and by economic classification on page 27.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Economic Classification as per Table 14 in the original Mid-Year Report being discussed:

<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report>

Government Reviewer

Opinion: Disagree

Suggested Answer: Economic classification

Comments: Table 4, page 12 of the FY 2018 Mid-Year Report presents the updated estimates by broad economic classification similar to Table A.2 of the FY 2019 BESF.

Researcher Response

The revised answer is economic classification. Table 4 of the 2018 Mid-Year Report presents expenditures by economic classification.

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> As noted in Q78, the capital/current breakdown does not qualify as an economic classification, therefore the score of D is maintained.

79. Does the Mid-Year Review of the budget present expenditure estimates for individual programs?

*GUIDELINES:*

*Question 79 asks if expenditure estimates in the Mid-Year Review are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Mid-Year Review must present expenditures for all individual programs, accounting for all expenditures. To answer "b," the Mid-Year Review must present expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. A "c" answer applies if the Mid-Year Review presents programs that account for less than two-thirds of expenditures. Answer "d" applies if expenditures are not presented by program in the Mid-Year Review.*

Answer:

d. No, the Mid-Year Review does not present expenditure estimates by program.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 27-28: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

The Mid-Year Report published by end of September, 2018, has no revised projections for disbursement estimates for the remainder of FY 2018, only first semester actual information. P. 34-35 has some discussion of changed targets, but the targets are not reported.

The 'updated' Mid-Year Report on the 2018 National Budget presents on pages 27-28 expenditure estimates for selected individual programs. However, this report was published late.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report>

80. Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

*GUIDELINES:*

*Question 80 asks whether the Mid-Year Review includes updated estimates of revenue for the budget year, and provides an explanation of the update.*

*To answer "a," the Mid-Year Review must include updated revenue estimates and explain all of the differences between the initial levels presented in the Executive's Budget Proposal (or the Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the revenue estimates must be updated, but only some*

of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated revenue estimates, but no explanation for the revisions is provided. A "d" response applies if the revenue estimates have not been updated.

Answer:

a. Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 12-13: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

The Mid-Year Report published by end of September, 2018, has no revised projections of revenue estimates for the remainder of FY 2018, only first semester actual information.

The 'updated' Mid-Year Report on the 2018 National Budget presents on pages 12-13 a discussion of the updated revenue estimates for the budget year. However, this report was published late.

Peer Reviewer

Opinion: Agree

Comments: The mid-year report as originally published did not have any changes; the "updated" one published more than 10 months into the year did have a minor change of 0.2 percent in tax revenues.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.

Comments: Table 4, page 12 of the FY 2018 Mid-Year Report presents a comparison of the revenue projections published in the FY 2018 BESF (July 2017) and the updated estimates (labeled as program) published in the FY 2019 BESF (July 2018). It shall be noted that the updated estimates were approved by the Development Budget Coordination Committee on July 2, 2018 and takes into account recent fiscal developments. In addition, pages 11 to 13 provides an explanation of the changes between the original projections in the FY 2018 BESF and the updated estimates in the FY 2019 BESF.

Researcher Response

Only the first version of the Mid-Year Report is assessed.

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> Based on Table 4 cited by the government reviewer, this score is revised from D to A, as the table presents the comparison of original and revised revenue estimates based on the 2019 BESF for tax and non-tax revenues, with some discussion of the variations on p. 12.

81. Does the Mid-Year Review of the budget present revenue estimates by category (such as tax and non-tax)?

**GUIDELINES:**

Question 81 asks whether revenue estimates in the Mid-Year Review are presented by "category"— that is, whether tax and non-tax sources of revenue are shown separately.

To answer "a," the Mid-Year Review must present revenue estimates classified by category.

Answer:

a. Yes, the Mid-Year Review presents revenue estimates by category.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, page 12: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

Comment:

The Mid-Year Report published by end of September, 2018, has no revised projections of revenue estimates for the remainder of FY 2018, only first semester actual information.

The 'updated' Mid-Year Report on the 2018 National Budget presents on page 12 estimates that are classified as tax and non-tax revenues. However, this report was published late.



Peer Reviewer

Opinion: Agree

Comments: Since the mid-year report as originally published did not have revenue estimates (aside from the original projections).

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the Mid-Year Review presents revenue estimates by category.

Comments: Table 4, page 12 of the FY 2018 Mid-Year Report presents the updated revenue estimates by category (tax and non-tax).

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> Based on Table 4 on p. 12, revenues are shown as tax and non-tax categories, with updated projections for the remainder of the fiscal year. Therefore this score is revised to A.

82. Does the Mid-Year Review of the budget present individual sources of revenue?

**GUIDELINES:**

*Question 82 asks whether revenue estimates for individual sources of revenue are presented in the Mid-Year Review. The question applies to both tax and non-tax revenue.*

*To answer "a," the Mid-Year Review must present all sources of revenue individually, accounting for all revenues, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. To answer "b," the Mid-Year Review must present individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. A "c" answer applies if the Mid-Year Review presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" applies if individual sources of revenue are not presented in the Mid-Year Review.*

Answer:

d. No, the Mid-Year Review does not present individual sources of revenue.

Source:

Mid-Year Report on the 2018 National Budget, September 28, 2018, pages 13 to 19: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report>

Comment:

The Mid-Year Report published by end of September, 2018, has no revised projections of revenue estimates for the remainder of FY 2018, only first semester actual information.

The 'updated' Mid-Year Report on the 2019 National Budget presents on pages 13-19 individual sources of revenue per collecting agency. However this report was published late.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the Mid-Year Review presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

Comments: Table 9, page 18 and Table 10, page 19 of the FY 2018 Mid-Year Report presents revenues by individual category under the Bureau of Internal Revenue and Bureau of Customs, respectively.

Researcher Response

The revised answer is "b". Table 9, page 18 and Table 10, page 19 of the FY 2018 Mid-Year Report presents revenues by individual category under the Bureau of Internal Revenue and Bureau of Customs, respectively.

IBP Comment

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> Table 9 and Table 10 of the MYR, however, only show actual values at the mid-point of the year (labeled as: Actual First Semester), not updated projections for the remainder of the year. The researcher's original response of D is confirmed.

83. Does the Mid-Year Review of the budget include updated estimates of government borrowing and debt, including its composition, for the budget year

underway?

**GUIDELINES:**

*Question 83 asks whether the Mid-Year Review includes updated estimates of borrowing and debt, including its composition, for the budget year, and provides an explanation of the update.*

*Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:*

- *The amount of net new borrowing required during the budget year;*
- *The central government's total debt burden at the end of the budget year; and*
- *The interest payments on the outstanding debt for the budget year.*

*Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:*

- *interest rates on the debt;*
- *maturity profile of the debt; and*
- *whether the debt is domestic or external.*

*To answer "a," the Mid-Year Review must include an updated estimates of borrowing and debt, including its composition, and explain all of the differences between the initial estimates presented in the Executive's Budget Proposal (or Enacted Budget) and the updated estimates. The explanation must include at least estimates of all differences; a narrative discussion is desirable but not required if estimates of all the differences are provided. To answer "b," the estimates of borrowing and debt must be updated, but only some of the differences between the initial and updated estimates are explained. The explanation would be more limited, such as only a narrative discussion of the differences or estimates covering only some of the differences. A "c" response applies if the Mid-Year Review includes updated estimates, but no explanation for the revisions is provided. A "d" response applies if the estimates of borrowing and debt have not been updated.*

**Answer:**

c. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.

**Source:**

Mid-Year Report on the 2018 National Budget, September 28, 2018: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report>

**Comment:**

The Mid-Year Report published by end of September, 2018, has no revised projections of revenue estimates for the remainder of FY 2018, only first semester actual information.

The 'updated' Mid-Year Report on the 2018 National Budget, pages 13 to 19 present information on borrowing and debt.

<https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report-updated>

**Peer Reviewer**

Opinion: Disagree

Suggested Answer:

c. Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.

Comments: Table 12 of the mid-year report <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> has the actual debt details as of mid-year includes, comparing to the mid-year status of the previous year (BY-1). But there is no estimate for year-end, or explanation for any changes.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. Yes, estimates of government borrowing and debt have been updated, and information on all of the differences between the original and updated estimates is presented.

Comments: Table 11, page 20 of the FY 2018 Mid-Year Report presents a comparison of the National Government financing program published in the FY 2018 BESF (July 2017) and the revised program published in the FY 2019 BESF (July 2018). It shall be noted that the financing strategy was approved by the Development Budget Coordination Committee on July 2, 2018. This takes into account recent developments discussed in pages 19-21. On the other hand, updates on the National Government debt is presented on pages 22-23 while the projections on debt as percentage of GDP is shown in page 35.

**Researcher Response**

I revise the answer to "c" based on the citation made by the Peer Reviewer.

**IBP Comment**

The link to the accepted version of the MYR is: <https://www.dbm.gov.ph/index.php/dbcc-matters/reports/mid-year-report/1224-2018-mid-year-report#2018-mid-year-report> The researcher's revision from D to C is confirmed. However, Table 12 does not show updated projections for the remainder of the fiscal year. In addition, debt as a percentage of GDP is not accepted for this question when the projection of nominal GDP for the

same period is not available. The only table that shows revised projections is Table 11, on p. 20, as cited by the government reviewer, which shows revised projections for net new borrowing.

84. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

**GUIDELINES:**

*Question 84 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual expenditures for the year, and whether these estimates are accompanied by a narrative discussion.*

*To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion. Answer "b" if estimates of the differences for all expenditures are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all expenditures, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report*

**Answer:**

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, along with a narrative discussion.

**Source:**

FY 2017 Annual Fiscal Report, August 16, 2018, pages 19-23: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

**Comment:**

The FY 2017 Annual Fiscal Report presents on pages 19-23 present estimates of the differences between the enacted levels and the actual outcome for all expenditures, along with a narrative discussion.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

85. Does the Year-End Report present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

**GUIDELINES:**

*Question 85 asks if expenditure estimates in the Year-End Report are presented by any one of the three expenditure classifications – by administrative, economic, and functional classifications – which were addressed in Questions 1-5 above. Each of the classifications answers a different question: administrative unit indicates who spends the money; functional classification shows for what purpose is the money spent; and economic classification displays what the money is spent on. Unlike classification by administrative unit, which tends to be unique to each country, functional and economic classifications for government budgeting have been developed and standardized by international institutions. Cross-country comparisons are facilitated by adherence to these international classification standards.*

*To answer "a," the Year-End Report must present expenditure estimates by all three of the expenditure classifications. Answer "b" if expenditure estimates are presented by two of these three classifications. Answer "c" if expenditure estimates are presented by one of the three classifications. Answer "d" if expenditure estimates are not presented by any of the three classifications in the Year-End Report.*

**Answer:**

b. Yes, the Year-End Report presents expenditure estimates by two of the three expenditure classifications.

**Source:**

FY 2017 Annual Fiscal Report, August 16, 2018, page 19: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

**Comment:**

The FY 2017 Annual Fiscal Report presents on page 19 expenditure estimates by economic classification. It also shows on pages 24-69 expenditures by administrative classification in the section on Financial and Physical Performance of Selected Major Programs and Projects, By Department.

Peer Reviewer

Opinion: Agree

Comments: To clarify, the second sentence in the comment means that administrative classification is discussed for only some expenditure estimates.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the Year-End Report presents expenditure estimates by two of the three expenditure classifications.

Comments: The researcher mentioned that the AFR presents expenditure estimates by economic and administrative classification. This merits a rating of B.

Researcher Response

The revised answer is "b". The FY 2017 Annual Fiscal Report presents on page 19 expenditure estimates by economic classification. It also shows on pages 24-69 expenditures by administrative classification in the section on Financial and Physical Performance of Selected Major Programs and Projects, By Department.

IBP Comment

As the researcher notes, the administrative classification is provided for not all ministries. However, as the total expenditures of the major departments is more than 2/3 of total expenditure, this administrative classification is accepted for this question. The score is revised from C to B.

85b. Based on the response to Question 85, check the box(es) to identify which expenditure classifications are included in the Year-End Report:

Answer:

Economic classification

Administrative classification

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, page 19: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on page 19 expenditure estimates by economic classification. It also shows on pages 24-69 expenditures by administrative classification in the section on Financial and Physical Performance of Selected Major Programs and Projects, By Department.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer: Administrative classification Economic classification

Comments: The researcher mentioned that the AFR presents expenditure estimates by economic and administrative classification.

Researcher Response

I revise the answer to include administrative classification.

86. Does the Year-End Report present expenditure estimates for individual programs?

*GUIDELINES:*

*Question 86 asks if expenditure estimates in the Year-End Report are presented by program. There is no standard definition for the term "program," and the meaning can vary from country to country. However, for the purposes of answering the questionnaire, researchers should understand the term "program" to mean any level of detail below an administrative unit, such as a ministry or department.*

*A note for francophone countries: "Program" level detail is sometimes referred to as le plan comptable or le plan comptable detaillé. (These data are typically coded in the financial management database, following the chart of budgetary accounts, so that they can be organized by administrative and functional classification.)*

*To answer "a," the Year-End Report must present expenditure estimates for all individual programs, accounting for all expenditures. Answer "b" if the Year-End*

Report presents expenditures for individual programs that when combined account for at least two-thirds of expenditures, but not all expenditures. Answer "c" if the Year-End Report presents programs that account for only less than two-thirds of expenditures. Answer "d" if expenditures are not presented by program in the Year-End Report.

Answer:

c. Yes, the Year-End Report presents estimates for programs accounting for less than two-thirds of expenditures.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 24-69: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on pages 24-69 the Physical Performance of Selected Programs and Projects of 16 executive departments.

Peer Reviewer

Opinion: Agree

Comments: (although it is borderline; my computation is 65.1%!)

Government Reviewer

Opinion: Agree

87. Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

**GUIDELINES:**

*Question 87 asks whether the Year-End Report includes estimates of the differences between the enacted levels and actual revenues for the year, and whether these estimates are accompanied by a narrative discussion.*

*To answer "a," the Year-End Report must present estimates of the differences between the enacted levels and the actual outcome for all revenues, along with a narrative discussion. Answer "b" if estimates of the differences for all revenues are presented, but a narrative discussion is not included. Answer "c" if estimates of the differences are presented for some, but not all revenues, regardless of whether a narrative discussion is included. Answer "d" if no estimates of the differences are presented in the Year-End Report.*

Answer:

a. Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 11-14: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report provides on pages 11-14 estimates of the differences between the enacted levels and actual outcome for revenues along with a narrative discussion.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

88. Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

**GUIDELINES:**

*Question 88 asks whether revenue estimates in the Year-End Report are presented by "category"—that is, whether tax and non-tax sources of revenue are shown separately.*

To answer "a," the Year-End Report must present revenue estimates classified by category.

Answer:

a. Yes, the Year-End Report presents revenue estimates by category.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, page 12: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on page 12 revenue estimates by category.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

89. Does the Year-End Report present individual sources of revenue?

*GUIDELINES:*

*Question 89 asks whether revenue estimates for individual sources of revenue are presented in the Year-End Report. The question applies to both tax and non-tax revenue.*

*To answer "a," the Year-End Report must present all sources of revenue individually, accounting for all revenue, and "other" or "miscellaneous" revenue must account for three percent or less of all revenue. Answer "b" if the Year-End Report presents individual sources of revenue that when combined account for at least two-thirds of all revenue, but not all revenue. Answer "c" if the Year-End Report presents estimates of individual revenue sources that account for less than two-thirds of revenue. Answer "d" if individual sources of revenue are not presented in the Year-End Report.*

Answer:

b. Yes, the Year-End Report presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 11-14: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on pages 11-14, Tables 13 and 14 individual revenue sources. However, "other" sources accounts for more than 3% of total revenues (around 10%).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90. Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

*GUIDELINES:*

*Question 90 asks whether the Year-End Report includes estimates of the differences between the original estimates and the actual outcome for the fiscal year for borrowing and debt, including its composition, and whether these estimates are accompanied by a narrative discussion.*

*Refer to Question 13 for details on estimates in the Executive's Budget Proposal of borrowing and debt. Key estimates related to borrowing and debt include:*

- *the amount of net new borrowing required during the budget year;*
- *the central government's total debt burden at the end of the budget year; and*
- *the interest payments on the outstanding debt for the budget year.*

Refer to Question 14 for details on estimates in the Executive's Budget Proposal related to the composition of the debt. Core information related to the composition of government debt include:

- interest rates on the debt;
- maturity profile of the debt; and
- whether the debt is domestic or external.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of borrowing and debt for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 16-18: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Fiscal Report presents on pages 16-18 the differences between the original estimates of government borrowing and debt for the fiscal year and the actual income for that year, along with a narrative discussion.

Net new borrowing: Table 9 on p. 15, includes both original estimates and actual results

Total debt burden, interest payments, interest rates on debt instruments (average rate only), maturity profile (average only) , and domestic and external debt: Table 10 on p. 18

This includes only the final result at the end of the year, not the comparison to the original estimates. Therefore the score is C.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

90b. Based on the response to Question 90, check the box(es) to identify which estimates of government borrowing and debt, including its composition, have the differences between the original forecast and the actual outcome for the year presented in the Year-End Report:

Answer:

The amount of net new borrowing required during the budget year

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 16-18: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Fiscal Report presents on pages 16-18 the differences between the original estimates of government borrowing and debt for the fiscal year and the actual income for that year, along with a narrative discussion.

Peer Reviewer

Opinion: Disagree

Suggested Answer: Table 9, page 15 of the Year-End Report has differences between original forecast and actual for: Amount of net new borrowing Table 10, on the characteristics of the debt, compares FY 2017 with FY-1, not with program. Interest payments on Outstanding Debt for the budget year cannot be exactly specified since "amortization" includes prepayment of bonds.

Government Reviewer

Opinion: Agree

Researcher Response

The revised answer would include the amount of net new borrowing during the budget year. As pointed out by the Peer Reviewer, Table 9, page 15 of the Year-End Report has differences between original forecast and actual for amount of net new borrowing.

91. Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

*GUIDELINES:*

*Question 91 asks whether the Year-End Report includes estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year, and whether these estimates are accompanied by a narrative discussion.*

*Refer to Question 15 for the components of the macroeconomic forecast in the Executive's Budget Proposal. Core components include estimates of the nominal GDP level, inflation rate, real GDP growth, and interest rates, although the importance of other macroeconomic assumptions, such as the price of oil, can vary from country to country.*

*To answer "a," the Year-End Report must include estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.*

Answer:

a. Yes, estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 4-11: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on pages 4-11 estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion.

Real GDP growth and Nominal GDP in Table 1, p. 4

Inflation rates and Interest Rates in Table 3, p. 8

Other information: Composition of GDP growth p. 5, Oil price and exchange rates p. 8, Employment rates p. 9,

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

91b. Based on the response to Question 91, check the box(es) to identify which elements of the macroeconomic forecast have the differences between the original forecast and the outcome for the year presented in the Year-End Report:

Answer:

Nominal GDP level

Inflation rate

Real GDP growth

Interest rates

Information beyond the core elements

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 4-11: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on pages 4-11 estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year, including a narrative discussion.



Peer Reviewer

Opinion: Agree

Comments: Other elements include goods export and import growth, peso/dollar exchange rates, gross national income.

Government Reviewer

Opinion: Agree

92. Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

**GUIDELINES:**

*Question 92 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.*

*Refer to Question 49 for the nonfinancial data on inputs included in the Executive's Budget Proposal.*

*To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.*

Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 24-69: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report provides on pages 24-69 information on the differences between the original estimates of non-financial data and the actual outcome, including a narrative discussion, of the 16 executive departments.

However, there is no update to staffing levels, which is the main input cited in the EBP.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

Comments: The researcher mentioned that information on the difference between the original estimates of non-financial data and the actual outcome is presented. This merits a rating of C.

Researcher Response

The FY 2017 Annual Fiscal Report provides on pages 24-69 information on the differences between the original estimates of non-financial data and the actual outcome. The answer is revised from "d" to "c".

IBP Comment

IBP confirms this score revision - for example, on p. 33 there is a comparison between the number of textbooks procured and the original target. As this counts as an input, but these kind of inputs are not presented for all programs or ministries, the score is C.

93. Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

**GUIDELINES:**

*Question 93 asks whether the Year-End Report includes estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion. Nonfinancial data on results can include data on both outputs and outcomes, but not on inputs (which are addressed in Question 92).*

Refer to Question 50 for the nonfinancial data on results included in the Executive's Budget Proposal.

To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 24-69: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Financial Report presents on pages 24-69 estimates of the differences between the original estimates of non-financial data on results and the actual outcome, including a narrative discussion, of the 16 executive departments.

As an example, see p.27:

"For 2017, the DA-OSEC distributed agricultural equipment and facilities to 53 farmers and 6,993 groups of farmers which are 26.0 percent and 76.2 percent of its targets for 2017, respectively."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

94. Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

*GUIDELINES:*

*Question 94 asks whether the Year-End Report includes estimates of the differences between the enacted level of funds for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.*

Refer to Question 52 for assistance to the most impoverished populations in the Executive's Budget Proposal.

To answer "a," the Year-End Report must present estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between the enacted level for all policies that are intended to benefit the country's most impoverished populations and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit the country's most impoverished populations and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented.

Answer:

c. Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.

Source:

FY 2017 Annual Fiscal Report, August 16, 2018, pages 63-65: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

Comment:

The FY 2017 Annual Fiscal Report presents on pages 63-65 estimates of the differences between the enacted level for policies, such as the Pantawid Pamilyang Pilipino Program (Conditional Cash Transfer), Supplemental Feeding Program, Social Pension for Indigent Citizens, and Sustainable Livelihood Program, that are intended to benefit the country's most impoverished populations and the actual outcome, including a narrative discussion. However, there is no consolidated presentation of poverty-related programs.

Peer Reviewer

Opinion: Agree

Government Reviewer  
Opinion: Agree

95. Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

**GUIDELINES:**

*Question 95 asks whether the Year-End Report presents estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome for the year, and whether these estimates are accompanied by a narrative discussion.*

*Refer to Question 33 for estimates of extra-budgetary funds in the Executive's Budget Proposal.*

*To answer "a," the Year-End Report must include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, including a narrative discussion. Answer "b" if the Year-End Report presents estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome, but does not include a narrative discussion. Answer "c" if estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented, regardless of whether a narrative discussion is included. A "d" response applies if estimates of the differences are not presented*

**Answer:**

d. No, estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome is not presented.

**Source:**

FY 2017 Annual Fiscal Report, August 16, 2018: [https://www.dbm.gov.ph/images/2017\\_Annual\\_Fiscal\\_Report.pdf](https://www.dbm.gov.ph/images/2017_Annual_Fiscal_Report.pdf)

**Comment:**

The FY 2017 Annual Fiscal Report does not include estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

96. Is a financial statement included as part of the Year-End Report or released as a separate report?

**GUIDELINES:**

*Question 96 asks whether a financial statement is included as part of the Year-End Report, or whether it is released as a separate report. The financial statement can include some or all of the following elements: a cash flow statement, an operating statement, a balance sheet, and notes on accounting. For purposes of responding to this question, the financial statement in question does not need to be audited. For an example of a financial statement, see the document "Financial Statements of the Government of New Zealand 2013" (<https://treasury.govt.nz/sites/default/files/2013-10/fsgnz-year-jun13.pdf>)*

*To answer "a," a financial statement must either be included in the Year-End Report or must be released as a separate report. Answer "a" applies if a financial statement is released as a separate report, even if the Year-End Report is not publicly available. Answer "b" applies if no financial statement is released either as part of the Year-End Report or as a separate report.*

**Answer:**

a. Yes, a financial statement is part of the Year-End Report or is released as a separate report.

**Source:**

FY 2017 Annual Financial Report for National Government, Vol. I-II: <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

See p. 47-51 of <https://www.coa.gov.ph/index.php/national-government-agencies-1/category/7205-2017?download=35712:annual-financial-report-for-the-national-government-volume-i>

**Comment:**

A financial statement is released as a separate document from the Year-End Report. It can be found in the 2017 Annual Financial Report for the National Government produced by the Commission on Audit.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

97. What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

**GUIDELINES:**

*Question 97 asks about the types of audits conducted by the Supreme Audit Institution (SAI). There are three basic types of audits:*

- *Financial audits are intended to determine if an entity's financial information is accurate (free from errors or fraud) and presented in accordance with the applicable financial reporting and regulatory framework. See ISSAI 200 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more detail.*
- *Compliance audits look at the extent to which the relevant regulations and procedures have been followed. See ISSAI 400 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details.*
- *Performance audits assess whether activities are adhering to the principles of economy, efficiency, and effectiveness. See ISSAI 300 (<http://www.issai.org/issai-framework/3-fundamental-auditing-principles.htm>) for more details. ≈*

*Financial and compliance audits are more common than performance audits, which usually occur only once a performance framework has been agreed upon. In some countries, the SAI's mandate limits the type of audit it can conduct.*

*To answer "a," the SAI must have conducted all three types of audit – financial, compliance, and performance – and made all of them available to the public. A "b" response applies if the SAI has conducted two of the three audit types, and a "c" applies if it has conducted only one type of audit. Answers "b" and "c" may be selected even if the Audit Report is not publicly available, as long as the SAI has conducted compliance or performance audits and made them available to the public. A "d" response applies if the SAI has not conducted any of the three types of audits, or has not made them available to the public.*

**Answer:**

a. The SAI has conducted all three types of audits (compliance, financial, or performance) and made them available to the public.

**Source:**

FY 2017 Annual Financial Report for National Government, Vol. I-II: <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

<https://www.coa.gov.ph/index.php/bureau-of-fire-protection-modernization-program>

**Comment:**

The Commission on Audit (COA) conducts all three types of audits. In the conduct of compliance audit, the FY 2017 Annual Financial Report (AFR) finds on page 433 that non-observance by a number of agencies of certain laws, rules and regulations defeating the purpose for which these were enacted and may result in wastage of government funds. Financial audits are carried out to evaluate the fairness of the presentation of agencies' financial statements as well as check whether the financial reporting framework complies with the Philippine Public Sector Accounting Standards or international financial reporting standards. On page 52 of the 2017 AFR, it was indicated that Financial Statements were submitted by 321 national government agencies including the state universities and colleges, Autonomous Region of Muslim Mindanao and government corporations. COA also conducts Performance or value-for-money audits to ascertain the economy, efficiency, and effectiveness in the implementation of agency programs, projects, and activities. The 2017 AFR observes on page 347 that unutilized appropriations/unobligated allotments/unused budget signify inadequate planning and budgeting or inefficient program/project implementation that leads to the non-delivery of the expected outputs and results.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

98. What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

**GUIDELINES:**

*Question 98 focuses on the coverage of audits by the Supreme Audit Institution (SAI), asking what percentage of expenditures within the SAI's mandate has been audited.*

*The SAI's mandate is typically defined in statute. Only expenditures related to budgetary central government (ministries, departments, and agencies) that are within the SAI's mandate should be considered for this question. (Question 99 addresses audits of extra-budgetary funds.) Further, the question does not apply to "secret programs" (for example, security-related expenditures that are confidential). Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.*

*Only the Audit Report identified in Section 1 should be used to answer this question. Financial audits and compliance audits, or a hybrid of the two, can be taken into account to answer this question. Performance audits should not be considered for this question.*

*To answer "a," all expenditures within the SAI's mandate must be audited. A "b" response applies if at least two-thirds, but not all, expenditures within the SAI's mandate have been audited. A "c" response is appropriate when less than two-thirds of expenditures within the SAI's mandate have been audited. A "d" response applies when no expenditures have been audited.*

**Answer:**

b. Expenditures representing at least two-thirds of, but not all, expenditures within the SAI's mandate have been audited.

**Source:**

1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/the-1987-constitution-of-the-republic-of-the-philippines/the-1987-constitution-of-the-republic-of-the-philippines-article-ix/>

FY 2017 Annual Financial Report for National Government, Vol. I-II: <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

COA Memorandum Nos. 84-316-A as amended by COA Resolution No. 95-505, July 4, 1995:  
[https://www.academia.edu/34049563/COMMISSION\\_ON\\_AUDIT\\_RESOLUTION\\_NO.\\_95-505\\_July\\_4\\_1995](https://www.academia.edu/34049563/COMMISSION_ON_AUDIT_RESOLUTION_NO._95-505_July_4_1995)

**Comment:**

The 1987 Constitution grants the Commission on Audit (COA) exclusive authority to define the scope of audit and to establish the methods and techniques required to perform its duty. COA prescribed statistical sampling methodologies through the issuance of COA Memorandum Nos. 84-316-A (January 31, 1984), No. 85-316-C (September 19, 1985), No. 93-316D (November 11, 1993), as amended by COA Resolution No. 95-505, in view of the volume and complexity of transactions in government. These sampling techniques include the simplified sampling scheme, test audit month scheme, and test audit day scheme. COA, upon its adoption of the Integrated Results and Risk Based Audit in 2011, no longer audits 100 percent of expenditures. However, all units as covered by the sampling methods, therefore the score is A.

**Peer Reviewer**

Opinion: Agree

Comments: I agree with the rating as recorded, but not as related at the end of the comment. There were a number of agencies that did not submit their Financial Statements for inclusion in this audit report. While the total number unaudited is small, some 7 of more than 300 entities, it is not "all." So, B is the correct rating, as per this report.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. All expenditures within the SAI's mandate have been audited.

Comments: Based on the comment of the researcher, the rating should be A. Effectively, there is 100% audit of expenditures as mandated, based on the established techniques and methods promulgated by COA pursuant to its authority under the Constitution. The sampling techniques and risk-based audit approach, which are recognized and accepted allow for a 100% audit. COA has prescribed COA Resolution Nos. 2019-014 and 2017-005 dated May 21, 2019 and April 26, 2017, respectively and COA Memorandum No. 2017-009 on the conduct of Cyclical Audit of Water Districts; COA Memorandum No. 97-002 dated January 9, 1997 on the conduct of Cyclical Audit of the Barangays; COA Resolution No. 2011-009 dated October 20, 2011 on the Use of the Integrated Results and Risk-Based Audit Manual and Forensic Audit Manual; and COA Memorandum Nos. 84-316A (Jan 31, 1984), No. 85-316C (Sept 19, 1985), No 93-316D (Nov 11, 1993), as amended by COA Resolution No. 95-505.

**Researcher Response**

The revised answer is "a". Effectively, there is 100% audit of expenditures as mandated, based on the established techniques and methods promulgated by COA pursuant to its authority under the Constitution.

**IBP Comment**

Based on the comment of the peer reviewer, if there were one financial statements that were not included in the audit report, and therefore not covered by the sampling method, then the appropriate score is B. Therefore, the researcher's original response is confirmed.

99. What percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited?

**GUIDELINES:**

*Question 99 focuses on audits of extra-budgetary funds, asking what percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited. These funds, although technically outside the budget, are governmental in nature and thus should be subject to the same audit requirement as other government programs.*

*The SAI's mandate is typically defined in statute. Only expenditures related to extra-budgetary funds within the SAI's mandate should be considered for this question. (Question 98 addresses audits of budgetary central government.) Further, if the mandate gives the SAI the authority to outsource some audits, then those audits count for purposes of this question.*

*To answer "a," all extra-budgetary funds within the SAI's mandate must be audited. A "b" response applies if extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "c" response applies if extra-budgetary funds accounting for less than two-thirds of expenditures associated with extra-budgetary funds within the SAI's mandate have been audited. A "d" response applies if extra-budgetary funds have not been audited.*

Answer:

a. All extra-budgetary funds within the SAI's mandate have been audited.

Source:

FY 2017 Annual Financial Report for National Government, Vol. I-II: <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

COA Memorandum Nos. 84-316-A as amended by COA Resolution No. 95-505, July 4, 1995:

[https://www.academia.edu/34049563/COMMISSION\\_ON\\_AUDIT\\_RESOLUTION\\_NO.\\_95-505\\_July\\_4\\_1995](https://www.academia.edu/34049563/COMMISSION_ON_AUDIT_RESOLUTION_NO._95-505_July_4_1995)

Comment:

Extra-budgetary funds accounting for at least two-thirds, but not all, expenditures associated with extra-budgetary funds with the mandate of the Commission on Audit have been audited given the adoption of statistical sampling methodologies. However, all EBFs are covered by the sampling method, therefore the score is A.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

100. Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?

*GUIDELINES:*

*Question 100 asks whether the annual Audit Report includes an executive summary. Only the Audit Report identified in Section 1 should be used to answer this question. The Audit Report can be a fairly technical document, and an executive summary of the report's findings can help make it more accessible to the media and the public.*

*To answer "a," the Audit Report must include at least one executive summary summarizing the report's content. Answer "b" applies if the Audit Report does not include an executive summary, or the Audit Report is not made publicly available.*

Answer:

a. Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.

Source:

FY 2017 Annual Financial Report for National Government, Vol. I-II: <https://www.coa.gov.ph/national-government-agencies-1/category/7205-2017>

Comment:

The FY 2017 Annual Financial Report provides on pages i-vi an executive summary of the document's content.

Peer Reviewer

Opinion: Agree

Comments: Although I would have wanted a more in the executive summary of what the findings were.

Government Reviewer

Opinion: Agree

Comments: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report is just the summary of the AARs. For an example of the executive summary in the AAR, please see page 1 of the FY 2017 AAR for the Department of Education:

[https://www.coa.gov.ph/phocadownloadpap/userupload/annual\\_audit\\_report/NGAs/2017/National-Government-Sector/Department-of-Education/DepEd\\_ES2017.pdf](https://www.coa.gov.ph/phocadownloadpap/userupload/annual_audit_report/NGAs/2017/National-Government-Sector/Department-of-Education/DepEd_ES2017.pdf)

101. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

**GUIDELINES:**

*Question 101 asks whether the executive reports to the public on the steps it has taken to address audit recommendations made by the Supreme Audit Institution (SAI). The ultimate purpose of audits is to verify that the budget was executed in a manner consistent with existing law, and to hold the government accountable for this execution and its future improvement. The extent to which audits achieve the latter depends on whether there is adequate and timely follow-up on the recommendations provided in the SAI's audit reports.*

*To answer "a," the executive must report publicly on the steps it has taken to address all audit findings. A "b" response applies if the executive reports publicly on the steps it has taken to address most, but not all, audit findings. A "c" response applies if the executive reports publicly on the steps it has taken to address only some audit findings. As long as the executive reports publicly on the steps it has taken to address audit finding, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if the executive does not report at all on its steps to address audit findings.*

**Answer:**

d. No, the executive does not report on steps it has taken to address audit findings.

**Source:**

The executive does not publish a report on steps to address audit findings.

**Comment:**

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

Suggested Answer: c. Yes, the executive reports publicly on some audit findings.

Comments: Some agencies publish the status of implementation of Prior Year's Audit Recommendations in their websites. 1. Public-Private Partnership Center of the Philippines Pages 35-37 <https://ppp.gov.ph/wp-content/uploads/2017/06/2016-PPPC-Audited-Financial-Report.pdf> 2. Philippine Retirement Authority Pages 38-42 <https://pra.gov.ph/wp-content/uploads/2018/09/i.-Annual-Audit-Report-CY-2017.pdf> 3. Philippine Coconut Authority Pages 116-154 <http://www.pca.da.gov.ph/pdf/compliance2018/AnnualFinancialReport/2017annualauditedfs.pdf>

**Researcher Response**

I revise the answer to "c" based on the reports cited by the Government Reviewer.

**IBP Comment**

Thanks to the government reviewer for these reports. However, each of the links only represents the audit report from the COA tracking actions taken on prior year audit recommendations. These reports do not come from the respective ministries, themselves. Those kind of audit tracking updates are assessed in Q101 and do not count for this question. Therefore the researcher's original response of D is confirmed.

102. Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

**GUIDELINES:**

*Question 102 asks whether the Supreme Audit Institution (SAI) or the legislature track actions by the executive to address audit recommendations. After audit results and recommendations are discussed and validated by the legislature, the executive is normally asked to take certain actions to address the audit findings. For accountability purposes, the public needs to be informed about the status of those actions, and steps the executive has taken to address audit recommendations. In addition to the executive reporting on its actions (see Question 101), the SAI and legislature – as the key oversight institutions – have a responsibility to keep the public informed by tracking the executive's progress in addressing audit recommendations.*

*To answer "a," the SAI or legislature must report publicly on what steps the executive has taken to address all audit findings. A "b" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address most, but not all, audit findings. A "c" response applies if the SAI or legislature reports publicly on what steps the executive has taken to address only some audit findings. As long as the SAI or legislature reports publicly on the steps the executive has taken, answer "a," "b," or "c" may be selected, even if the Audit Report is not made publicly available. A "d" response applies if neither the SAI nor the legislature reports on the executive's steps to address audit findings.*

**Answer:**

a. Yes, the SAI or legislature reports publicly on what steps the executive has taken to address all audit recommendations.

Source:

Commission on Audit, "P1.54 Billion in Disallowances Settled in 2016," January 11, 2018: <https://www.coa.gov.ph/index.php/2013-06-19-13-07-50/news-releases/244-p1-54-billion-in-disallowances-settled-in-2016-coa>

Elizabeth Marcelo, "COA: P1.54B in disallowed expenditures recovered in 2016," Philippine Star, January 12, 2018: <https://www.philstar.com/headlines/2018/01/12/1777055/coa-p154b-disallowed-expenditures-recovered-2016>

Comment:

The Commission on Audit presents in its website on January 11, 2018 the steps the executive has taken to address audit findings.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the SAI or legislature reports publicly on what steps the executive has taken to address all audit recommendations.

Comments: The FY 2017 Annual Audit Reports (AARs) of National Government Agencies are the documents that must be assessed for all questions regarding the Audit Report. It shall be noted that the Annual Fiscal Report is just the summary of the AARs. The status of implementation of audit recommendations is part of the AAR which is published in the COA website. For example, please see page 6 of the AAR for the Energy Regulatory Commission for FY 2017: [https://www.coa.gov.ph/phocadownloadpap/userupload/annual\\_audit\\_report/NGAs/2017/National-Government-Sector/Department-of-Energy/ERC\\_ES2017.pdf](https://www.coa.gov.ph/phocadownloadpap/userupload/annual_audit_report/NGAs/2017/National-Government-Sector/Department-of-Energy/ERC_ES2017.pdf)

Researcher Response

The SAI reports publicly on most audit findings.

IBP Comment

The government's notes about the sections of the AARs that include the feedback from the prior year audit reports (and also cited in Q101, but that apply here) is noted. As there a is confirmed. The score is revised from B to A.

103. Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

**GUIDELINES:**

*Question 103 examines whether an Independent Fiscal Institution (IFI) exists that contributes budget analyses to the budget formulation and/or approval process. According to the Principles for Independent Fiscal Institutions, adopted by the OECD Council in 2014, "independent fiscal institutions are publicly funded, independent bodies under the statutory authority of the executive or the legislature which provide non-partisan oversight and analysis of, and in some cases advice on, fiscal policy and performance", and with "a forward-looking ex ante diagnostic task". In practice, they come in two main forms:*

- *Parliamentary budget offices (also known as PBOs) such as the Congressional Budget Office in the United States (<https://www.cbo.gov/>), the Parliamentary Budget Office in South Africa (<https://www.parliament.gov.za/parliamentary-budget-office>), and the Center for Public Finance Studies in Mexico (Centro de Estudios de las Finanzas Públicas, <http://www.cefp.gob.mx/>); or*
- *Fiscal councils such as the Office for Budget Responsibility in the United Kingdom (<https://obr.uk/>), the Fiscal Policy Council in Sweden (Finanspolitiska Rådet, <http://www.finanspolitiskaradet.com/>), and the High Council for Public Finances in France (Haut Conseil des finances publiques, <https://www.hcfp.fr/>).*

*For more information, see von Trapp et al. 'Principles for Independent Fiscal Institutions and Case Studies', OECD Journal on Budgeting 15:2 (special issue, 2016), <https://doi.org/10.1787/budget-15-5jm2795tv625>.*

*To answer "a," there must be an IFI, and its independence must be set in law. In addition, it must have sufficient staffing and resources, including funding, to carry out its tasks. Answer "b" applies if an IFI exists, but either its independence is not set in law or its staffing and resources are insufficient to carry out its tasks. Answer "c" applies if an IFI exists, but its independence is not set in law and it lacks sufficient staffing and resources. Answer "d" applies if no IFI exists.*

*If the answer is "a," "b," or "c," please specify in the comments the name and type of IFI that exists (e.g., parliamentary budget office or fiscal council). If the answer is "a" or "b," identify the law that guarantees its independence, and provide evidence in support of the assessment of the adequacy of its staffing and resources. This can include the IFI's total budget allocation over recent years, any press reports that discuss perceived funding shortfalls, assessments by international organizations, and/or information from interviews with staff of the IFI.*

Answer:

c. Yes, there is an IFI, but its independence is not set in law and its staffing and resources, including funding, are insufficient to carry out its tasks.

Source:

Congressional Planning and Budget Research Department (CPBRD) Website: <http://cpbrd.congress.gov.ph/2012-06-30-13-05-43/history-overview->



and-directory  
Senate of the Philippines Website: <https://www.senate.gov.ph/secretariat/osec.asp>

**Comment:**

The IFIs are not set in law and come in the form of parliamentary budget offices in both the House of Representatives and Senate. In the House of Representatives, the CPBRD is under the direct control and supervision of the Office of the Speaker by virtue of Administrative Order No. 05-15 on October 5, 2015. In the Senate, there are two budget offices, namely the Legislative Budget Research and Monitoring Office (LBRMO) and the Senate Economic Planning Office (SEPO), which are both under the Senate Secretary.

However, the staffing and resources are still limited to perform IFI functions.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

104. Does the Independent Fiscal Institution (IFI) publish macroeconomic and/or fiscal forecasts?

**GUIDELINES:**

*Question 104 assesses whether an Independent Fiscal Institution (IFI) has a role in producing the macroeconomic forecast (e.g., GDP growth, inflation, interest rates, etc.) and/or the fiscal forecast (revenues, expenditure, deficits, and debt), and if so, what kind of role it has. Macroeconomic and/or fiscal forecasting is a typical core function across IFIs, but their role in forecasting takes several forms (von Trapp et al. 2016, p. 17 and Table 2). Some IFIs produce just a macroeconomic forecast, while others produce a complete fiscal forecast (which also typically requires an underlying macroeconomic forecast). In some cases, the fiscal forecast reflects continuation of current budget policies; such forecasts can be used by the legislature, the media, or the public to assess the projections in the executive's budget reflecting the government's policy proposals.*

*Some IFIs produce the official macroeconomic and fiscal forecasts used in the executive's budget. In other cases, IFIs do not prepare their own independent forecasts, but rather produce an assessment of the official estimates, or provide an opinion on, or endorsement of, the government's forecasts. Some others have no role at all in forecasting.*

*To answer "a", there must be an IFI that publishes both its own macroeconomic AND fiscal forecasts. Answer "b" applies if an IFI publishes its own macroeconomic OR fiscal forecast (but not both). Answer "c" applies if the IFI does not publish a macroeconomic or fiscal forecast, but rather publishes an assessment of the official forecasts produced by the executive and used in the budget. Choose option "d" if there is no IFI; or if there is an IFI that neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts for the budget.*

*Macroeconomic forecasts may include indicators relating to economic output and economic growth, inflation, and the labor market, amongst others. Fiscal forecasts may include estimates of revenues, expenditures, the budget balance, and debt. If the answer is "a" or "b," please specify which indicators and estimates are included in the forecasts and whether the forecast is used by government as the official forecast. If the answer is "c," please describe the nature and depth of the assessment (e.g., the length of the commentary, or whether it covers both economic and fiscal issues).*

**Answer:**

c, No, the IFI does not publish its own macroeconomic or fiscal forecast, but it does publish an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive.

**Source:**

Congressional Planning and Budget Research Department (CPBRD), 2019 Budget Briefer: Briefing Notes for the DBCC Presentation on the Proposed 2019 National Budget: July 31, 2018: <http://cpbrd.congress.gov.ph/2012-06-30-13-06-51/2012-06-30-13-36-49/905-bb2018-02-briefing-notes-for-the-dbcc-presentation-on-the-proposed-2019-national-budget>

**Comment:**

The IFI does not publish its own macroeconomic or fiscal forecast, but it does publish an assessment of the official macroeconomic and fiscal forecasts produced by the executive. For example, the CPBRD published the 2019 Budget Briefer.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

105. Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

**GUIDELINES:**

*Question 105 assesses whether an Independent Fiscal Institution (IFI) has a costing function that involves assessing the budgetary implications of new policy proposals for both revenues and expenditures, and if so, what kind of role it has. Many IFIs have a costing role, but with substantial diversity in the nature and extent of this work (von Trapp et al 2016, pp. 17-18 and Table 2). Some assess virtually all new policy proposals, while others cost only a selection of new policy proposals. Others only publish opinions on, or scrutinize the costings of, budget measures produced by the executive.*

*To answer "a," the IFI must publish its own costings of all (or virtually all) new policy proposals. Answer "b" applies if the IFI publishes its own costings, but only for major new policy proposals – for instance, only those proposals that cost or save above a certain amount. Answer "c" applies if the IFI publishes its own costings, but only on a limited number of proposals. This could occur, for instance, if the IFI lacked the capacity to assess proposals dealing with certain sectors. Instead of producing a cost estimate, it can also publish an assessment of the estimates produced by the executive. Answer "d" applies if there is no IFI; or if the IFI does not publish its own costings of new policy proposals or provide an assessment of the official costings of new policy proposals.*

**Answer:**

c. Yes, the IFI publishes its own costings of a limited number of new policy proposals.

**Source:**

Congressional Planning and Budget Research Department (CPBRD), Agency Budget Notes FY 2019: <http://cpbrd.congress.gov.ph/2012-06-30-13-06-51/2012-06-30-13-36-48>

**Comment:**

The IFI publishes an assessment of the estimates produced by the executive. Through the Agency Budget Notes, the CPBRD examines the past, current and proposed budget in terms of allocation by program/project, type of expenditure (i.e. current expenditures and capital outlay), and shares of regional offices.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Agree

106. In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

**GUIDELINES:**

*Question 106 concerns the interaction between two important oversight actors and assesses how frequently the Independent Fiscal Institution (IFI) made high-level inputs to the work of legislative committees. Almost all IFIs interact with the legislature in some form (von Trapp et al 2016, p. 18), but the intensity of the interaction varies. This question assesses this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the IFI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the IFI staff member in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). As evidence to support your answer, you can refer to official records of legislative committees, websites and annual reports of the IFI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; and "c" for once or twice. Answer "d" should be selected if the head or a senior staff member of the IFI never took part and testified in hearings of a committee of the legislature, or if there is no IFI.*

**Answer:**

c. Rarely (i.e., once or twice).

**Source:**

Committee invitation letters to the Congressional Planning and Budget Research Department, 2018

**Comment:**

The CPBRD was invited as a resource person in committee hearings and in technical working groups for specific legislation.

**Peer Reviewer**

Opinion: Disagree

Suggested Answer:

c. Rarely (i.e., once or twice).

Comments: The invitation letters are more in the nature of "resource when called upon." The CPBRD produces good written products, and has hosted general sessions on topics at the House of Representatives, but there is no evidence (either in media reports, congressional or CPBRD records, or the

observation of media personnel) of active participation. Since it is difficult to prove a negative, and because CPBRD personnel are available at committee sessions, a "rarely" score is chosen.

Government Reviewer  
Opinion: Agree

Researcher Response  
Agree

107. Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

**GUIDELINES:**

*Question 107 asks whether the legislature debates budget policies prior to the tabling of the Executive's Budget Proposal. In general, prior to discussing the Executive's Budget Proposal for the coming year, the legislature should have an opportunity to review the government's broad budget priorities and fiscal parameters. Often times this information is laid out in a Pre-Budget Statement, which the executive presents to the legislature for debate. (See Questions 54-58.)*

*A number of countries conduct a pre-budget debate in the legislature around six months before the start of the budget year. In some cases, they adopt laws that guide the upcoming budget, for example the Budget Guidelines Law in Brazil and the Spring Fiscal Policy Bill in Sweden. A pre-budget debate can serve two main purposes: 1) to allow the executive to inform the legislature of its fiscal policy intentions by presenting updated reports on its annual and medium-term budget strategy and policy priorities; and 2) to establish "hard" multi-year fiscal targets or spending ceilings, which the government must adhere to when preparing its detailed spending estimates for the upcoming budget year.*

*To answer "a," the full legislature must debate budget policy prior to the tabling of the Executive's Budget Proposal and approve recommendations for the upcoming budget.*

*Answer "b" applies if a legislative committee (but not the full legislature) debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the budget. Option "b" also applies if, in addition to the action by the committee, the full legislature also debates budget policy in advance of the budget, but does not approve recommendations.*

*Answer "c" applies if the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but does not approve recommendations for the budget. Answer "d" applies if neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.*

*In your comment, please indicate the dates of the budget debate, and if both the full legislature and a legislative committee held a debate. Note that a debate does not need to be open to the public, but a public record of the meeting or a public notice that the meeting occurred is required. In addition, please indicate whether the budget debate was focused on a Pre-Budget Statement published by the Executive. If the Executive did not publish a Pre-Budget Statement, then please indicate what served as the focus of the legislature's debate (for instance, a report released by an IFI or some other institution).*

**Answer:**

d. No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

**Source:**

Committee Daily Bulletin, Vol. III, No. 5, House of Representatives, 17th Congress, July 31, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v3i5-20180731.pdf>

**Comment:**

The Committee on Appropriations of the House of Representatives opened its deliberations on the proposed FY 2019 National Expenditure Program with a briefing provided by the members of the Development Budget Coordinating Committee (DBCC) on July 31, 2018. Neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

108. How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

**GUIDELINES:**

*Question 108 examines how far in advance of the start of the budget year the legislature receives the Executive's Budget Proposal. International good practice*

recommends that the Executive's Budget Proposal should be submitted to the legislature far enough in advance to allow the legislature time to review it properly, or at least three months prior to the start of the fiscal year. (See, for instance, Principle 2.2.2 of the IMF's Fiscal Transparency Handbook (2018) (<https://www.elibrary.imf.org/view/IMF069/24788-9781484331859/24788-9781484331859/24788-9781484331859.xml>).

For the purposes of responding to this question, if – and only if – the most recent budget submission occurred later than usual as a result of a particular event, such as an election, please use a more normal year as the basis for the response. If, however, delays have been observed for more than one budget year, and the legislature has not received the Executive's Budget Proposal in a timely manner on more than one occasion in the last three years, then "d" will be the appropriate answer.

To answer "a," the legislature must receive the Executive's Budget Proposal at least three months in advance of the start of the budget year. Answer "b" applies if the legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year. Answer "c" applies if the legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year. Answer "d" applies if the legislature does not receive the Executive's Budget Proposal at least one month prior to the start of the budget year, or does not receive it at all.

Answer:

a. The legislature receives the Executive's Budget Proposal at least three months before the start of the budget year.

Source:

Nestor Coralles, "Duterte submits proposed 2019 budget to Congress," Inquirer.Net, July 24, 2018: <https://newsinfo.inquirer.net/1013590/sona-sona-2018-rodrigo-duterte-gaa-2019-national-budget>

Comment:

The legislature received the Executive's Budget Proposal on July 23, 2018, or at least three months before the start of the budget year.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

109. When does the legislature approve the Executive's Budget Proposal?

**GUIDELINES:**

Question 109 examines when the legislature approves the Executive's Budget Proposal. International good practice recommends that the Executive's Budget Proposal should be approved by the legislature before the start of the fiscal year the budget proposal refers to. This gives the executive time to implement the budget in its entirety, particularly new programs and policies.

In some countries, the expenditure and revenue estimates of the Executive's Budget Proposal are approved separately; for purposes of this question, at least the expenditure estimates must be approved. Further, approval of the budget implies approval of the full-year budget, not just a short-term continuation of spending and revenue authority.

To answer "a," the legislature must approve the Executive's Budget Proposal at least one month before the start of the budget year. Answer "b" applies if the legislature approves the Executive's Budget Proposal less than one month in advance of the start of the budget year, but at least by the start of the budget year. Answer "c" applies if the legislature approves the Executive's Budget Proposal less than one month after the start of the budget year. Answer "d" applies if the legislature approves the Executive's Budget Proposal more than one month after the start of the budget year, or does not approve the budget.

Answer:

b. The legislature approves the budget less than one month in advance of the start of the budget year, but at least by the start of the budget year.

Source:

Jocelyn Uy, "Congress approves 2018 budget," Inquirer.Net, December 13, 2017: <https://newsinfo.inquirer.net/951913/congress-approves-2018-budget>

"2018 National Budget reflects socio-economic agenda of President Duterte." Philippine News Agency, December 22, 2017: <https://pia.gov.ph/news/articles/1003334>

Comment:

The 2018 budget was approved by Congress on December 11, 2017 and signed into law by President Rodrigo Duterte on December 19, 2017.

Peer Reviewer

Opinion: Agree

Comments: In this case, we are rating the 2018 budget, given the December 2018 cut-off in the research process. In fact, the 2019 budget was not passed until more than one month after the start of the budget year, in the midst of disagreements with the executive budget's new cash budgeting, and between the two houses of Congress.

Government Reviewer  
Opinion: Agree

110. Does the legislature have the authority in law to amend the Executive's Budget Proposal?

**GUIDELINES:**

*Question 110 examines the legislature's power to amend—as opposed to simply accept or reject—the budget proposal presented by the executive. This question is about legal authority rather than actions the legislature takes in practice. The legislature's powers to amend the budget can vary substantially across countries.*

*The "a" response is appropriate only if there are no restrictions on the right of the legislature to modify the Executive's Budget Proposal, including its right to change the size of the proposed deficit or surplus. The "b" response would be appropriate if, for instance, the legislature is restricted from changing the deficit or surplus, but it still has the power to increase or decrease funding and revenue levels. The more limited "c" response would apply if, for instance, the legislature can only re-allocate spending within the totals set in the Executive's Budget Proposal or can only decrease funding levels or increase revenues. Finally, response "d" would apply if the legislature may not make any changes (or only small technical changes), or if amendments must first be approved by the executive. In these cases, the legislature is essentially only able to approve or reject the budget as a whole. If the answer is "b" or "c", please indicate the nature of the amendment powers available to the Parliament and how they are limited.*

**Answer:**

c. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, but its authority is very limited.

**Source:**

1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

**Comment:**

In Book VI, Chapter 4 of Executive Order 292 (Instituting the Administrative Code of 1987), the Congress shall in no case increase the appropriation of any project or program of any department, bureau, agency or office of the Government over the amount submitted by the President in his budget proposal. There are automatic appropriations such as the principal and interest on public debt that the legislature cannot amend. Web link: <http://www.gov.ph/1987/07/25/executive-order-no-292-s-1987/>

**Peer Reviewer**

Opinion: Disagree

Suggested Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.

Comments: The limitation on increasing the overall appropriation is rooted in the 1987 Constitution, Article VI, Section 25 (1). Within that limitation, Congress can amend the Executive Budget Proposal by specifying where there are reductions to allow space for new ideas.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

b. Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.

Comments: We note that the Reviewer states that the legislature has authority in law to amend the Executive's Budget Proposal with some limitations. We maintain our position in the Executive for this item to be rated as "B" instead of "C". Also, similar to our response in the 2015 and 2017 OBS, we note that the Congress has unlimited power to amend the contents of the Budget - to increase or decrease the allocations for departments or program, or even to insert or delete programs and projects in the Budget - so long as the overall budget ceiling is not breached. Section 25, Article VI of the 1987 Constitution provides: "The Congress may not increase the appropriations recommended by the President for the operation of the government as specified in the budget. The form, content, and manner of preparation of the budget shall be prescribed by law". Any increase in any item may not be made if it will increase the total budget ceiling submitted by the President. For instance, an increase in one agency's budget may be accommodated by a corresponding decrease in other agencies' budget. In the 2015 OBS, the Researcher cited that this authority in law given to Congress can be more properly described as having "some limitations", meriting a rating of "B".

**Researcher Response**

The revised answer is "b". The limitation on increasing the overall appropriation is rooted in the 1987 Constitution, Article VI, Section 25 (1). Within that limitation, Congress can amend the Executive Budget Proposal by specifying where there are reductions to allow space for new ideas.

**IBP Comment**

Based on the responses of the researcher, peer reviewer and government reviewer, it is noted that Congress has the power to amend the contents of the budget, so long as the budget ceiling is not exceeded. However, according to OBS methodology, this is a clear C score. A B score only applies if Congress were restricted from increasing the deficit, but as the restriction is on increasing total expenditures (the budget ceiling), this must be scored a C. The researcher's original response is confirmed.

111. During the most recent budget approval process, did the legislature use its authority in law to amend the Executive's Budget Proposal?

**GUIDELINES:**

Question 111 assesses whether any formal authority of the legislature to amend the Executive's Budget Proposal is used in practice. The responses to this question should be determined based on action by the legislature related to the Enacted Budget used in the OBS. Choose answer "a" if the legislature used its authority in law to amend the Executive's Budget Proposal during the most recent budget approval process, and amendments were adopted (all, or at least some of them). Answer "a" also applies if the legislature used its authority in law to amend the Executive's Budget Proposal, but the amendments were rejected by executive veto. Answer "b" applies if the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but none of these amendments were adopted. Answer "c" applies if the legislature has the authority in law to amend the budget, but no amendments were proposed during its consideration. Answer "d" applies when the legislature does not have any authority to amend the budget (that is, Question 110 is answered "d").

If the answer is "a" or "b", please specify in the comments the number of amendments introduced by the legislature (and in the case of an "a" response, the number adopted, or if applicable, information about an executive veto) and describe their nature. For example, did the amendments result in an increase or decrease of the deficit? What were the most significant amendments to revenues and to expenditures in terms of the sums involved? How did amendments affect the composition of expenditures? If the answer is "a," please specify which amendments were adopted, and provide evidence for it.

**Answer:**

a. Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.

**Source:**

Jess Diaz, "Congress hikes DPWH budget by P11 billion," Philippine Star, December 15, 2017:  
<https://www.philstar.com/headlines/2017/12/15/1768877/congress-hikes-dpwh-budget-p11-billion>

**Comment:**

The final report on the proposed 2018 national budget that the Senate and the House of Representatives approved shows that the Department of Public Works and Highways received an additional PHP 11.1 billion. The Department of Education lost PHP 2.5 billion, with the two chambers cutting its appropriation from PHP 555.8 billion to PHP 553.3 billion.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

112. During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

**GUIDELINES:**

Question 112 assesses the role of a specialized budget or finance committee during the budget approval stage. Effective committee involvement is an essential condition for legislative influence in the budget process. Specialized committees provide opportunities for individual legislators to gain relevant expertise, and to examine budgets and policy in depth. Yet, the involvement of committees differs across legislatures. Some legislatures have separate committees to examine spending and tax proposals, while others have a single finance committee. Not all legislatures have a specialized budget or finance committee to examine the budget. In addition, there can be differences in the time available for the committee's analysis of the budget.

A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, therefore it must be published before the legislature has adopted the budget.

Response "a" requires that, in the last budget approval process, a specialized budget or finance committee had one month or more to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted. Response "b" applies where such a committee examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if a committee examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where a specialized budget or finance committee did not examine the Executive's Budget Proposal.

Please specify in your comment the name of the committee and the number of days it had available to examine the budget and to publish a report. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a copy of the report. Please note also if a report is published, but only after the budget has been adopted.

Answer:

a. Yes, a specialized budget or finance committee had at least one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.

Source:

Department of Finance, "House appropriations panel endorses P18.68-B DOF budget for congressional approval," September 21, 2018: <https://www.dof.gov.ph/index.php/house-appropriations-panel-endorses-p18-68-b-dof-budget-for-congressional-approval/>

Jose Cielito Reganit, "Senate starts plenary deliberations on proposed 2019 budget," Philippine News Agency: <https://www.pna.gov.ph/articles/1055734>

Comment:

The Committee on Appropriations of the House of Representatives formally endorsed for congressional approval on September 20, 2018 the proposed P18.68-billion budget of the Department of Finance (DOF) under the new cash-based system in which the implementation of projects and the procurement of goods and services are done within the given fiscal year.

Senator Loren Legarda, the chair of the Committee on Finance, presented Committee Report No. 538, containing the amendments to the 2019 General Appropriations Bill approved by the House of Representatives, in plenary on December 4, 2018

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

113. During the last approval process, did legislative committees, responsible for particular sectors (e.g., health, education, defense, etc.), examine spending in the Executive's Budget Proposal related to the sector for which they are responsible?

*GUIDELINES:*

*Question 113 assesses the role of committees of the legislature that are responsible for particular sectors (e.g., health, education, defense, etc.) during the budget approval stage. The role of sectoral committees differs across legislatures. Some legislatures do not involve them in the budget approval process, while others do. In addition, the time available for committee analysis differs.*

*A report with the committee's findings and recommendations is intended to inform the debate in the full legislature, so therefore must be published before the legislature has adopted the budget. Response "a" requires that sector committees had one month or more to examine the Executive's Budget Proposal, and published a report with findings and recommendations prior the budget being adopted. Response "b" applies where such committees examined the draft budget and published a report, but within a shorter timeframe of less than one month. Response "c" applies if sectoral committees examined the budget (without regard to the time period), but did not publish a report prior to the adoption of the budget. Response "d" applies where sectoral committees did not examine the Executive's Budget Proposal.*

*Please provide in the comments a brief overview of the committee structure and specify the number of days that sectoral committees had available to examine the budget and to publish their reports. For bicameral legislatures where one house or chamber has greater constitutional authority in budgetary matters, the question applies to the house or chamber (usually the upper or second one) that is decisive. For bicameral legislatures with co-equal houses or chambers, the question should be answered with reference to the one that achieves the higher score for this question. In the case of bicameral legislatures, please note the relevant arrangements in each house or chamber. If applicable, provide a sample copy of at least one of the reports. Please note if a report is published, but only after the budget has been adopted.*

*For purposes of responding to this question, use those sectoral committees that are best performing – that is, the ones that examine the budget the longest and that publish reports.*

Answer:

c. Yes, sector committees examined the Executive's Budget Proposal, but they did not publish reports with findings and recommendations prior to the budget being adopted.

Source:

Rule X, Section 13 (4), Senate of the Philippines: <https://www.senate.gov.ph/committee/duties.asp>  
17th Congress

Senate Committee Report No. 167 on the General Appropriations Act FY 2018, 17th Congress, October 4, 2017: [https://www.senate.gov.ph/lis/committee\\_rpt.aspx?congress=17&q=167](https://www.senate.gov.ph/lis/committee_rpt.aspx?congress=17&q=167)

Comment:

The Committee on Appropriations of the House of Representatives together with the other House sub-committees examine the Executive's Budget Proposal. Similarly, the Senate Finance Committee and its sub-committees conduct its own review and assessment of the budget. Sector

committees examine the budget but they did not publish reports with findings.

The Senate Finance subcommittee A was scheduled on August 29, 2018 to hear the proposed budget of the Department of Foreign Affairs and its attached agencies, while subcommittee F will scrutinize the appropriations for the Civil Service Commission, Career Executive Service Board, National Youth Commission, Cooperative Development Authority, Bases Conversion Development Authority, Subic Bay Metropolitan Authority and Movie and Television Review and Classification Board.

Paolo Romero, "Senate resumes budget hearings," Philippine Star, August 28, 2018:  
<https://www.philstar.com/headlines/2018/08/28/1846449/senate-resumes-budget-hearings>

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

114. In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

**GUIDELINES:**

*Question 114 is about legislative oversight of budget execution. It assesses whether and how often a committee examined the implementation of the budget during the budget execution period (i.e., financial year) for which it was approved, and whether this resulted in an official report with findings and recommendations. This question does not apply to the ex post review of implementation following the end of the budget year as part of the audit stage, which is assessed separately. Nor does it apply to the legislature's review of the budget that it may undertake as part of the process of considering a supplemental budget during the year. In-year monitoring by the legislature will be affected by the frequency that the executive publishes In-Year Reports.*

*To answer "a," a committee must have examined in-year implementation of the Enacted Budget at least three times during the course of the relevant budget year and published reports with findings and recommendations. Answer "b" applies where this occurred only once or twice during the year.*

*Exception: If a legislature is in session only twice during the year, and it examines the implementation of the budget during both sessions, then it would be eligible for an "a" response.*

*Choose "c" if a committee examined in-year implementation (without regard to frequency), but did not publish any report with findings and recommendations. Answer "d" applies where no committee examined in-year implementation.*

*If the answer is "a" or "b," please specify the name of the committee and when it reviewed budget implementation, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation.*

*For purposes of responding to this question, if more than one committee holds in-year reviews of the budget, use the committee that is best performing – that is, the one that examines in-year implementation the most times and that publishes a report.*

**Answer:**

c. Yes, a committee examined in-year implementation, but it did not publish any report with findings and recommendations.

**Source:**

Committee Daily Bulletin, Vol. II, No. 110, 17th Congress, Third Regular Session, May 22, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i110-20180522.pdf>

Committee Daily Bulletin, Vol. II, No. 127, 17th Congress, Third Regular Session, July 2, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i127-20180702.pdf>

**Comment:**

The Joint Congressional Oversight Committee examined the in-year implementation of the National Health Insurance Program on May 22, 2018. The Committee on Health of the House of Representatives also examined the in-year implementation of the National Health Insurance Program on July 2, 2018.

However, no findings with reports and recommendations were published.

Peer Reviewer  
Opinion: Agree

Comments: Just to be clear, this is with reference to specific programs in the budget year, not the budget overall.

Government Reviewer  
Opinion: Agree



115. Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

**GUIDELINES:**

*Question 115 examines whether the executive seeks approval from the legislature prior to shifting funds between administrative units, and whether it is legally required to do so.*

*In some countries, the executive has the power in law to adjust funding levels for specific appropriations during the execution of the budget. This question examines rules around shifting funds between administrative units (ministries, departments, or agencies) or whatever funding unit (or "vote") is specified in the Enacted Budget.*

*The conditions under which the executive may exercise its discretion to shift funds should be clearly defined in publicly available regulations or law. In addition, the amount of funds that the executive is allowed to transfer between administrative units should not be so excessive as to undermine the accountability of the executive to the legislature.*

*To answer "a," the executive is required by law or regulation to obtain prior legislative approval before shifting funds between administrative units, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before shifting funds between administrative units, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to shift funds between administrative units and the executive does not obtain legislative approval in practice. Answer "d" also applies if the executive is authorized to shift an amount considered so excessive as to undermine accountability (roughly equal to 3 percent of total budgeted expenditures). A "d" response applies if the legislature only approves the shifting of funds after it has already occurred.*

*In the comments, please indicate any law or regulation that provides the executive with standing authority to shift funds between administrative units and, if so, describe that authority. Similarly, legislative approval for shifting funds between administrative units typically occurs with the adoption of legislation such as a supplemental budget. But if other formal procedures for gaining approval from the legislature exist, then please provide information about that approval process.*

**Answer:**

a. The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.

**Source:**

Section 39, Book VI / Chapter 5 (Budget Execution), Administrative Code of 1987: <http://www.officialgazette.gov.ph/1987/07/25/executive-order-no-292-book-vichapter-5-budget-execution/>

**Comment:**

The executive is legally required to receive legislative approval before shifting funds, but does not do so in practice. Under Section 39, Book VI / Chapter 5 (Budget Execution) of the Administrative Code of 1987, any savings in the regular appropriations authorized in the General Appropriations Act for programs and projects of any department, office or agency may, with the approval of the President, be used to cover a deficit in any other item of the regular appropriations: provided that the creation of new positions or increase of salaries shall not be allowed to be funded from budgetary savings except when specifically authorized by law.

**Peer Reviewer**

Opinion: Agree

Comments: The resulting rating is the same, but the interpretation is different. The 2014 Supreme Court ruling on the Disbursement Acceleration Program did affirm the ability of the Executive to move funds among administrative units in the Executive Branch that were covered by appropriations act -- meaning "savings" (though the decision more strictly defined when "savings" would be determined) could be moved to other units/programs that were in the enacted budget.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.

Comments: The comment of the researcher explicitly states that the "executive is legally required to receive legislative approval before shifting funds". In addition, the executive seeks the approval of legislature prior to shifting of funds through the General Provisions in the Executive's Budget Proposal. In sections 66-70 of the General Provisions of the FY 2019 National Expenditure Program (pages 1156-1157), the executive proposes to the legislature the guidelines regarding shifting of funds (i.e., authority to use savings, meaning of savings, rules on augmentation, priority in the use of savings, and rules on modification in the allotment). Weblink: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/GenPro.pdf> The above proposal by the executive is authorized by the legislature and is enshrined in sections 73-76 of the General Provisions of the Enacted Budget or the FY 2019 General Appropriations Act (pages 942-943). Through these General Provisions, Congress gave prior approval to the executive regarding shifting of funds. Weblink: <https://www.dbm.gov.ph/wp-content/uploads/NEP%202019/GenPro.pdf>

**Researcher Response**

I propose to revise the rating from "d" to "b" based on the citation made by the Government Reviewer.

IBP Comment

Based on the responses of the researcher, peer reviewer, and government, the response is revised from D to A. The General Provisions of the FY 2019 National Expenditure Program (pages 1156) Sec. 66 explain the rules that apply to the use of savings within appropriations. The rules state that the President, President of the Senate, Speaker of the House of Representatives, Chief Justice, Heads of the Civil Service Commission, the Commission on Elections and the COA are "authorized to declare and use savings in their respective appropriations to augment actual deficiencies incurred for the current year in any item of their respective appropriations." This authorizes shifts within an administrative head appropriation, however, it does not authorize the shifting of funds between appropriations. This is confirmed in Sec. 68 that explains the use of savings only can be applied to "any existing item of appropriation within their respective offices." Furthermore, the General Provisions on page 1154 do restrict the government from moving funds between units: "After the end of validity period, any unreleased appropriations as well as unexpended or undispersed funds shall revert to the unappropriated surplus of the General Fund in accordance with Section 28, Chapter 3, Book IV of E.O. No. 292 and shall not thereafter be available for expenditure except by subsequent legislative enactment." As the shifting of funds is also approved during the Supplemental Budget, this shows that approval happens in practice. In this case, the appropriate score is A.

116. Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

**GUIDELINES:**

*Question 116 examines whether the executive receives approval from the legislature prior to spending excess revenue, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if additional revenue is collected unexpectedly during the year, which often happens in oil/mineral-dependent countries, and it was not accounted for in the Enacted Budget, there should be a procedure in place to ensure that the legislature approves any proposed use of these "new" funds. If such requirements are not in place, the executive might deliberately underestimate revenue in the budget proposal it submits to the legislature, in order to have additional resources to spend at the executive's discretion, with no legislative control.*

*To answer "a," the executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. Answer "b" applies if the executive obtains legislative approval before spending excess revenue, but is not legally required to do so. Answer "c" applies if the executive is legally required to receive legislative approval before spending excess revenue, but does not do so in practice. Answer "d" applies if prior legislative approval is not legally required for the executive to spend excess revenue and the executive does not obtain legislative approval in practice. A "d" response applies if the legislature only approves the additional spending after it has already occurred.*

*Typically, legislative approval of additional spending beyond what was reflected in the Enacted Budget would occur with the adoption of a supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.*

**Answer:**

a The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, and it does so in practice.

**Source:**

General Appropriations Act FY 2018: <https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/UF.pdf>

**Comment:**

The executive is required by law or regulation to obtain prior legislative approval before spending any funds resulting from higher-than-expected revenues, and it does so in practice. The General Appropriations Act contained allocations for the Unprogrammed Fund (UF) or standby appropriations approved by Congress for the use of windfall revenues, such as revenues in excess of targets, new revenue measures and new loan agreements. Through the UF, Congress gave prior approval to the executive for the use of excess revenues.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

117. Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

**GUIDELINES:**

*Question 117 examines whether the executive receives approval from the legislature prior to cutting spending below the levels in the Enacted Budget in response to revenue shortfalls or for any other reason, and whether it is legally required to do so. Good practice requires the legislature to approve changes in revenue or expenditure relative to the Enacted Budget. For example, if less revenue is collected unexpectedly during the year, the legislature should approve or reject any proposed reductions in expenditures that are implemented as a result. If such requirements are not in place, the executive might substantially change the composition of the budget at the executive's discretion, with no legislative control.*

Typically, legislative approval of proposals to reduce spending below the levels reflected in the Enacted Budget would occur as part of the supplemental budget. But other formal procedures for getting approval from the legislature in advance of it adopting the supplemental budget may exist. If that is the case, then please provide information about that approval process.

To answer "a," the executive is required by law or regulation to obtain prior legislative approval before implementing spending cuts in response to revenue shortfalls or for other reasons, and it does so in practice. Answer "b" applies if the executive received legislative approval before implementing such cuts, but is not legally required to do so. Answer "c" applies if the executive is legally required to obtain legislative approval before implementing such cuts, but does not do so in practice. Answer "d" applies if legislative approval is not legally required for the executive to implement such cuts and the executive does not obtain such approval in practice. A "d" response applies if the legislature only approves the spending cuts after they have already occurred.

Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Source:

Section 27, Book VI / Chapter 4 (Budget Authorization), Administrative Code of 1987: <https://www.officialgazette.gov.ph/1987/07/25/executive-order-no-292-book-vichapter-4-budget-authorization/>

Comment:

The executive received legislative approval before implementing spending cuts, but is not legally required to do so. Legislative approval of proposals to reduce spending reflected in the Enacted Budget is usually part of the Supplemental Budget. Section 27, Book VI / Chapter 4 (Budget Authorization) of the Administrative Code of 1987 states that "all appropriation proposals shall be included and considered in the budget preparation process. After the President shall have submitted the Budget, no supplemental appropriation measure supported from existing revenue measures shall be passed by the Congress. However, supplemental or deficiency appropriations involving the creation of new offices, programs or activities may be enacted if accompanied and supported by new revenue sources."

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.

Comments: Section 63 of the General Provisions of the FY 2018 General Appropriations Act (page 633) requires the executive to obtain approval from the legislature regarding the rescission of appropriations in case of an "unmanageable National Government deficit", among others.

Unmanageable National Government deficit is defined as: "(i) the actual National Government budget deficit has exceeded the quarterly budget deficit targets consistent with the full year target deficit as indicated in the BESF submitted by the President to Congress pursuant to Section 22, Article VII of the Constitution; or (ii) there are clear economic indications of an impending occurrence of such condition, as determined by the DBCC and approved by the President". Weblink: <https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GENPRO.pdf>

Researcher Response

The revised answer is "a". Section 63 of the General Provisions of the FY 2018 General Appropriations Act (page 633) requires the executive to obtain approval from the legislature regarding the rescission of appropriations in case of an "unmanageable National Government deficit", among others.

118. Did a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?

**GUIDELINES:**

Question 118 is about ex post oversight following the implementation of the budget. It probes whether a committee examined the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI), and whether this resulted in an official report with findings and recommendations. A key issue is how soon after the SAI releases the report does it legislature review it. This question does not apply to the legislative scrutiny of in-year implementation of the Enacted Budget during the relevant budget execution period, which is assessed separately. Also, the question is asking specifically about the SAI's annual report on the execution of the budget, not about other audit reports that the SAI may produce. (This is the Audit Report used for responding to Question 98.)

To answer "a," a legislative committee must have examined the annual Audit Report within three months of it being released by the SAI, and then published a report (or reports) with findings and recommendations. (Note that the three-month period should only take into account time when the legislature is in session.)

Answer "b" applies when the committee examines it within six months of it being released (but more than three months), and then published a report with its findings and recommendations. Choose "c" if a committee examined the annual Audit Report more than six months after it became available or it did not publish any report with findings and recommendations. Answer "d" applies where no committee examined the annual Audit Report.

If the answer is "a" or "b," please specify the name of the committee and when it reviewed the Audit Report, and provide a copy of its report(s). If the answer is "c," please specify the name of the committee and when it reviewed budget implementation. Answers "a," "b," or "c" may be selected if the Audit Report is produced by the SAI but not made publicly available.

Answer:

c. Yes, a committee examined the Audit Report on the annual budget, but it did so after the report had been available for more than six months or it did not publish any report with findings and recommendations.

Source:

Section 101 (General Provisions), General Appropriations Act FY 2018, Official Gazette, Vol. 113, No. 1, p. 640: <https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GENPRO.pdf>

Comment:

Section 101 under the General Provisions of the General Appropriations Act of 2018 provides that "the Senate and the House of Representatives shall constitute a Joint Congressional Oversight Committee on Public Expenditures which shall primarily monitor compliance by agencies with the requirements and/or conditions in the utilization of public funds under this Act and pertinent laws." However, there is no press release confirming that the Committee was established to examine the audit report.

Peer Reviewer

Opinion: Agree

Comments: Such oversight committees tend to take up specific functional issues with particular agencies, not the audit report.

Government Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, a committee examined the Audit Report on the annual budget, but it did so after the report had been available for more than six months or it did not publish any report with findings and recommendations.

Comments: It is recommended to change the rating of this item from "D" to C. There have been several instances when the Congress examined and used as basis the Commission on Audit reports on an agency's annual budget, where several government officials from agencies such as Philippine Charity Sweepstakes Office, Department of Health, PhilHealth, Department of Tourism, among others, became subject of congressional investigations and called to attend congressional hearings. The respective agency auditors are also requested to attend the said hearings. Please check the following media reports and press releases supporting this justification: <https://cnnphilippines.com/news/2018/07/13/COA-PCSO-charity-fund.html> [https://www.senate.gov.ph/press\\_release/2018/0731\\_gordon1.asp](https://www.senate.gov.ph/press_release/2018/0731_gordon1.asp) <https://www.rappler.com/nation/201291-ben-tulfo-bitag-media-cornered-millions-advertisements-dot-2017-coa+G17> [https://www.senate.gov.ph/photo\\_release/2018/0814\\_01.asp](https://www.senate.gov.ph/photo_release/2018/0814_01.asp) <https://www.rappler.com/nation/209491-senate-hearing-tulfo-ad-placements-ptv-august-2018>

Researcher Response

I change my answer from "d" to "c" after reviewing the media reports suggested by the Government Reviewer.

IBP Comment

As these media reports do show that audit reports of the financial accounts of specific agencies were reviewed by Congress, the score of C is confirmed.

119. Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

**GUIDELINES:**

*Question 119 concerns the appointment process of the current head of the Supreme Audit Institution (SAI). Appointment procedures vary greatly across countries, as well as across different types of SAIs. Moreover, conventions and informal practices can greatly affect the de facto independence of the head of the SAI. While these factors make it difficult to devise a single metric against which all SAIs can be assessed with regard to this particular aspect, this question focuses on whether the legislature or judiciary must appoint or approve the appointment of the head of the SAI as a way to ensure the SAI's independence from the executive. However, if the appointment is carried out in another way that nonetheless ensures the independence of the SAI head, then that approach could be also considered.*

*To answer "a," the legislature or judiciary must appoint (or re-appoint) the head of the SAI, or approve the recommendation of the executive, as a way that ensure his or her independence from the executive. (As noted above, alternative approaches may also be acceptable.) Choose "b" if the appointment process does not ensure the independence of the head of the SAI, e.g. the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.*

*Irrespective of which answer you selected, provide a description of how the head of the SAI is appointed.*

Answer:

a. Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.

Source:

Section 1 (2), Article IX, 1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Comment:

The legislature gives final consent before the appointment of the SAI head takes effect. Section 1 (2), Article IX of the 1987 Philippine Constitution notes that the Commission on Audit (COA) Chairperson and the Commissioners shall be appointed by the President but requires the confirmation of the Commission on Appointments of Congress for a term of seven years without reappointment.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

120. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

*GUIDELINES:*

*Question 120 covers the manner in which the head or senior members of the SAI may be removed from office. This question draws on best practices identified in the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>), including measures intended to guarantee the office's independence from the executive.*

*To answer "a," the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before the head of the SAI is removed. For example, the legislature or judiciary may give final consent following a certain external process, such as a criminal proceeding. So while the executive may initiate a criminal proceeding, the final consent of a member of the judiciary – or a judge – is necessary to render a verdict of wrongdoing that may lead to the removal from office of the head of the SAI. Answer "b" applies if the executive may remove the head of the SAI without the final consent of the judiciary or legislature.*

Answer:

a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.

Source:

Article XI, 1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Comment:

Section 2, Article XI of the 1987 Philippine Constitution provides that the head of the SAI may only be removed by the legislature through impeachment proceedings. Section 3, Article XI of the Constitution further indicates that the House of Representatives shall have the exclusive power to initiate all cases of impeachment while the Senate shall have the sole power to try and decide all cases of impeachment.

Peer Reviewer  
Opinion: Agree

Government Reviewer  
Opinion: Agree

121. Who determines the budget of the Supreme Audit Institution (SAI)?

*GUIDELINES:*

*Question 121 asks who determines the budget of the Supreme Audit Institution (SAI). To ensure objective audits of government budgets, another important component of the SAI's independence from the executive is the extent to which the SAI's budget is determined by a body other than the executive, and whether the SAI has adequate resources to fulfill its mandate.*

*Answer "a" applies if the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate, AND either the SAI determines its own budget and then submits it to the executive (which accepts it with little or no change) or directly to the legislature, or the budget of the SAI is determined directly by the legislature or judiciary (or some independent body). Answer "b" applies if the SAI's budget is determined by the executive (absent a recommendation from the SAI), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. Answer "c" applies if the legislature or judiciary (or some independent body) determines the SAI's budget, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Answer "d" applies if the executive determines the SAI's budget, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Please provide evidence in support of the assessment that the funding level is or is not broadly consistent with the resources the SAI needs*

to fulfill its mandate.

Answer:

a. The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

Source:

Section 5, Article IX, 1987 Philippine Constitution: <https://www.officialgazette.gov.ph/constitutions/1987-constitution/>

Section 11, Book VI/Chapter 3 (Budget Execution), Administrative Code of 1987: <http://www.officialgazette.gov.ph/1987/07/25/executive-order-no-292-book-vi-chapter-3-budget-preparation/>

Comment:

It is stated in Section 5, Article IX of the 1987 Philippine Constitution that Constitutional Commissions, including the SAI, shall enjoy fiscal autonomy. Their approved annual appropriations shall be automatically and regularly released. In Section 11, Book VI/Chapter 3 (Budget Preparation), of the Administrative Code of 1987, the President shall include in the budget submission to the legislature the proposed expenditure level of the Constitutional Bodies.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

122. Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

*GUIDELINES:*

*Question 122 explores the scope of the investigative powers of the Supreme Audit Institution (SAI) as prescribed in law.*

*Question 97 asks which of the three types of audits – financial, compliance, and performance – the SAI conducts. This question asks if the SAI is constrained by law (rather than by a lack of capacity or an inadequate budget) from undertaking any form of audit or investigating irregularities in any program or activity.*

*There are numerous examples of limitations. For instance, some SAIs are not permitted by their legal mandate to audit joint ventures or other public-private arrangements. Others are only allowed to undertake financial audits, precluded from conducting performance or value-for-money audits. The SAIs in some countries do not have the legal mandate to review arrangements involving oil or stabilization funds, or other types of special or extra-budgetary funds. The SAI may also not have the ability to audit commercial projects involving the public and private sector.*

*To answer “a,” the SAI must have full discretion in law to decide which audits to undertake. Answer “b” applies if some limitations exist, but the SAI enjoys significant discretion to undertake those audits it wishes to. Answer “c” applies if the SAI has some discretion, but significant legal limitations exist. Answer “d” applies if the SAI has no power at all to choose which audits to undertake*

*Consulting the Lima Declaration of Guidelines on Auditing Precepts (<http://internationalbudget.org/wp-content/uploads/LimaDeclaration.pdf>) may be useful in answering this question as its provisions serve to define the appropriate scope of a SAI’s legal mandate and jurisdiction.*

Answer:

a. The SAI has full discretion to decide which audits it wishes to undertake.

Source:

Commission on Audit, 2009 Revised Rules of Procedure: <https://www.lawphil.net/administ/coa/coa.html>

Comment:

Under its 2009 Revised Rules of Procedure, the Commission on Audit shall have exclusive authority subject to the limitations in Article IX of the 1987 Philippine Constitution, to define the scope of its audit and examination, establish the techniques and methods required, and promulgate accounting and auditing rules and regulations including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or uses of government funds and properties.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

123. Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

**GUIDELINES:**

*Question 123 assesses whether and to what extent the audit processes of the Supreme Audit Institution (SAI) are subject to review by an independent agency. The latter could be a peer SAI, an international organization, an academic institution with relevant expertise, or an independent domestic agency with quality assurance functions in the area of financial reporting.*

*To answer "a," an independent agency must conduct and publish a review of the audit processes of the SAI on an annual basis. Answer "b" applies if a review was carried out within the past five years, and published, but it is not conducted annually, but. Choose answer "c" if the SAI has an internal unit that reviews the audit processes of the SAI on a regular basis, but an independent agency does not conduct such a review. Answer "d" applies if the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.*

*If the answer is either "a" or "b," please specify the name of the independent agency and when last it conducted such a review, and provide a copy of the published report. If the answer is "c," please specify the name of the unit within the SAI that is tasked with conducting such reviews.*

**Answer:**

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

**Source:**

Section 7 (8), Chapter 3, Book V (Title I/Subtitle B): <https://www.officialgazette.gov.ph/1987/07/25/executive-order-no-292-s-1987/>

**Comment:**

Section 7 (8), Chapter 3, Book V (Title I/Subtitle B) of the Revised Administrative Code of 1987 indicates that the National Government Audit Offices I and II in the SAI shall review audit reports covering agencies of the national government under its audit jurisdiction. However, the audit reports of COA are reviewed neither by an independent agency nor by a unit within the agency.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

**Suggested Answer:**

c. No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

Comments: The Quality Assurance Office of the COA reviews the audit processes of the SAI COA on a regular basis. Likewise, the Assistant Commissioners' Group, the policy review group, acts on issues involving audit processes. The review of the audit process is guided by the COA Quality Management System Manual. Source: [https://www.coa.gov.ph/phocadownload/userupload/transparency/COA\\_QMS\\_Manual.pdf](https://www.coa.gov.ph/phocadownload/userupload/transparency/COA_QMS_Manual.pdf) The COA subscribes to the international standards on auditing set by the International Organisation of Supreme Audit Institutions (INTOSAI) which is published in the following link: <http://www.intosai.org/issai-executive-summaries/4-auditing-guidelines/general-auditing-guidelines.html>

**Researcher Response**

The Quality Assurance Office of the COA reviews the audit processes of the SAI COA on a regular basis. I revise the answer from "d" to "c" since a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.

124. In the past 12 months, how frequently did the head or a senior staff member of the Supreme Audit Institution (SAI) take part and testify in hearings of a committee of the legislature?

**GUIDELINES:**

*Question 124 concerns the interaction between two important oversight actors and assesses how frequently the Supreme Audit Institution (SAI) made high-level inputs to the work of legislative committees. Many SAIs interact with the legislature in some form, but the nature and intensity of the interaction varies. This question probes this aspect by asking, with reference to the past 12 months, how frequently the head or a senior staff member of the SAI took part and testified in hearings of a committee of the legislature. The intent is to assess the extent to which the SAI representative in question was not only present at a meeting of a legislative committee, but was an active participant (as opposed to a passive observer, serving only as a resource when called upon). You can refer to official records of legislative committees, websites and annual reports of the SAI, press releases and media coverage, for example. Choose answer "a" if this occurred five times or more; "b" for three times or more, but less than five times; "c" for once or twice, and "d" for never.*

**Answer:**

a. Frequently (i.e., five times or more).

Source:

Committee Daily Bulletin, Vol. II, No. 75, 17th Congress, Third Regular Session, January 29, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i75-20180129.pdf>

Committee Daily Bulletin, Vol. II, No. 83, 17th Congress, Third Regular Session, February 13, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i83-20180213.pdf>

Committee Daily Bulletin, Vol. II, No. 107, 17th Congress, Third Regular Session, February 13, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i91-20180228.pdf>

Committee Daily Bulletin, Vol. II, No. 107, 17th Congress, Third Regular Session, May 16, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i107-20180516.pdf>

Committee Daily Bulletin, Vol. II, No. 134, 17th Congress, Third Regular Session, July 17, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v2i134-20180717.pdf>

Comment:

Commission on Audit (COA) Supervising Auditor Flovitas Felipe assigned in the Department of Energy (DOE) apprised the House of Representatives (HOR) Committee on Energy of the status of the Renewable Energy (RE) Trust Fund based on COA's latest audit report during the public hearing on January 29, 2018.

COA Supervising Auditor Flovitas Felipe apprised the Committee on Energy of the results of the special audit on the Malampaya fund for the period 2002 to 2012 during the hearing on February 13, 2018.

In a hearing of the Committee on Good Government and Public Accountability on February 28, 2018, COA Region 1 OIC-Regional Director Michael Bacani disclosed that there is an ongoing fraud audit investigation by the COA Central Office on all transactions involving the utilization by a province of its share from the proceeds of the tobacco excise tax from 2010 up to 2016. COA was requested to provide the Committee with a copy of the report as soon as the investigation is completed.

COA Director Lydia de Joya said that COA has already started its investigation into the disbursement of funds for the Z3R housing projects during the HOR Committee on Housing and Urban Development hearing on May 16, 2018.

During the Ad Hoc Subcommittee on Smokey Mountain Development and Reclamation Project (Housing and Urban Development) hearing on July 17, 2018, COA Social Security Audit Sector Director Mary Adelino said that the audit observation memorandum (AOM) will be released on July 21 and the special audit report will be released in August 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

125. Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

*GUIDELINES:*

*This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.*

*The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See: [https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf).*

*Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in the formulation of the annual budget, including annual pre-budget discussions. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as spending and tax policy, funding and revenue levels, and macro-fiscal planning.*

*To answer "a," the executive must use open participation mechanisms that involve the public in the formulation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government officials. Examples include public meetings and online deliberative exchanges.*

*Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation of the annual budget. This answer applies if the*



government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.

Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:

1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.

and/or

2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.

In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.

Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.

The researcher must present evidence to support selection of a "c" response.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

c. Yes, the executive uses participation mechanisms during the budget formulation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Source:

Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

<https://www.dbm.gov.ph/index.php/209-latest-issuances/national-budget-memorandum/2018/406-national-budget-memorandum-no-129>

Rea Cu, "Duterte admin drops Aquino's grassroots budgeting strategy," Business Mirror, October 5, 2016: <https://businessmirror.com.ph/2016/10/05/duterte-admin-drops-aquinos-grassroots-budgeting-strategy/>

Comment:

Section 4 of Executive Order No. 325 on the Reorganization of the Regional Development Councils (RDCs) specifies that part of the functions of the RDCs, which is composed of at least 25 percent representatives from private sector and non-government organizations, is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. These RDC processes also allow NGO representatives to take part and provide inputs in the monitoring and implementation of the annual budget.

Announcement of consultations with Regional Development Councils, Civil Society Organizations, Student/Faculty Associations and PASUC, and other Stakeholders under the ADM, in FY 2019 Detailed Budget Preparation Calendar in Annex C of NBM 129: <https://www.dbm.gov.ph/index.php/209-latest-issuances/national-budget-memorandum/2018/406-national-budget-memorandum-no-129>

Section 14, Article X of the 1987 Constitution provides that the President shall create Regional Development Councils (RDCs) and other similar bodies composed of local government officials, regional heads of departments and government offices and representatives from non-governmental organizations within the regions. The National Economic and Development Authority (NEDA) manage the RDCs.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, the executive uses participation mechanisms during the budget formulation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Comments: The definition includes the stipulation, "the mechanism should be open to any CSO and/or individual members of the public who wish to participate." In fact, Regional Development Council meetings only involve those who are RDC members from the public, private sector, or civil society. Particular RDCs may convene separate CSO consultations but that is rare and ad hoc. Similarly, agency central offices might involve consultation, but this is certainly ad hoc and not universal.

Government Reviewer

Opinion: Agree

Researcher Response

A regular function of the Regional Development Council is the use of open participation mechanisms through which members of the public and

government officials exchange views on the budget. It reviews and endorses to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. The appropriate answer is "a".

**IBP Comment**

During an IBP review, this question is revised from A to C. As the meetings are only open to specific invited CSOs, and not the general public, this scores a C on this question as per OBS methodology. Please also see below for confirmation of RDC meetings held in 2018: <http://mimaropa.neda.gov.ph/rdc-conducts-budget-review-for-2019/> <https://pia.gov.ph/news/articles/1006180>

126. With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on the executive's efforts to seek out the views of members of the public from socially vulnerable groups and/or who are underrepresented in the process.*

*To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented communities and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives of vulnerable/underrepresented groups.*

*Answer "b" applies if the executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget formulation stage.*

**Answer:**

b. The requirements for an "a" response are not met.

**Source:**

Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

**Comment:**

Section 4 of Executive Order No. 325 on the Reorganization of the Regional Development Councils (RDCs) specifies that part of the functions of the RDCs, which is composed of at least 25 percent representatives from private sector and non-government organizations, is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. These RDC processes also allow NGO representatives to take part and provide inputs in the monitoring and implementation of the annual budget. It is indicated that private sector representatives (PSRs) who shall comprise one-fourth of the members of the fully-constituted council. The NGOs that are included often carry links with vulnerable and under-represented parts of the population.

**Peer Reviewer**

Opinion: Agree

Comments: Whether vulnerable/underrepresented segments are involved is a episodic, ad hoc matter depending on particular RDC chairs and members.

**Government Reviewer**

Opinion: Disagree

Suggested Answer:

a. Yes, the executive takes concrete steps to include individuals and/or CSOs representing vulnerable and underrepresented parts of the population in the formulation of the annual budget.

Comments: Disagree. It is recommended to change the rating of this item to A. The researcher has already agreed in his comment that under EO No. 325, PSRs in the RDC are linked to vulnerable and underrepresented parts of the population. However, this is not consistent and reflected in the researcher's rating. Link: Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

**Researcher Response**

To merit an "a" rating, the guideline indicates that the researcher must provide evidence to show the government's efforts and actions in ensuring the representation of vulnerable and underrepresented individuals and communities. Failing to gather such evidence, the "b" rating is deemed an appropriate answer.

127. During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the formulation of the annual budget.*

*Please note that while the public engagement can/may cover other topics – and for this reason the other questions assessing the executive's engagement with the public during budget formulation can be answered on the basis of engagement on topics other than the six listed above – for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.*

*Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.*

*Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.*

**Answer:**

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

**Source:**

Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

**Comment:**

Section 4 of Executive Order No. 325 on the Reorganization of the Regional Development Councils (RDCs) specifies that part of the functions of the RDCs, which is composed of at least 25 percent representatives from private sector and non-government organizations, is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. These RDC processes also allow NGO representatives to take part and provide inputs in the monitoring and implementation of the annual budget. However, the executive's engagement with the citizens covers only social spending and public investment projects.

**Peer Reviewer**

Opinion: Agree

**Government Reviewer**

Opinion: Disagree

**Suggested Answer:**

a. The executive's engagement with citizens covers all six topics.

Comments: Disagree. It is recommended to change the rating of this item to A. As implemented and by virtue of EO No. 325, the executive's engagement with the citizens covers social spending policies, public investment projects, as well as public services projects, given the wide range of programs being reviewed by the RDC. The DBM also livestreams on Facebook briefing of the Development Budget Coordinating Committee (DBCC), Philippine Economic Briefings, and Sulung Pilipinas which discusses all six (6) topics on macroeconomic issues, revenue forecasts, policies, and administration, as well as deficit and debt levels. Members of the public are allowed to comment and provide inputs via Facebook reactions and comments on this livestreams. Weblinks: DBCC briefing livestream on April 24, 2018:

<https://web.facebook.com/DBMgovph/videos/2036994646554794/> DBCC briefing livestream, September 5, 2018:

<https://www.facebook.com/DBMgovph/videos/1926326317667050/> Sulung Pilipinas livestream:

<https://www.facebook.com/DBMgovph/videos/297902551008178/>

**IBP Comment**

As the consultation referred to by the government reviewer links to a different coordination body (DBCC) and not the RDC which is the mechanism assessed in this question, the DBCC should be considered on whether it is a public engagement mechanism. Based on the information publicly available about the DBCC (<https://www.dbm.gov.ph/index.php/dbcc-matters/about-the-dbcc>) it appears this is a coordinating body of the government, and does not involve any members of the public or civil society. For that reason, it cannot be counted for this question, even if the proceedings are live-streamed. The researcher's original response of C is confirmed.

128. Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.*

*The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:*

[https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf).

*Please consider only participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency designated by the government to implement participation mechanisms ("the executive") is currently using to allow the public to participate in monitoring the implementation of the annual budget. If the executive has designated a central coordinating agency to implement participation mechanisms throughout the national budget process, researchers may consider these mechanisms. Participation mechanisms used only by line ministries should not be used to answer this question. If there is more than one mechanism used by the executive, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the implementation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenue administration, public service delivery, public investment project implementation, including procurement, and the administration of social transfer schemes.*

*To answer "a," the executive must use open participation mechanisms that involve the public in the implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings, online, deliberative exchanges, procurement complaint mechanisms, and social monitoring and dialogue.*

*Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input on the implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which the executive seeks out inputs from citizens. Examples include public hearings, surveys, focus groups, report cards, and online platforms that government officials actively manage to solicit inputs.*

*Answer "c" applies if the executive has established a mechanism or mechanisms to allow citizens to provide input on budget implementation, but:*

*1) The mechanisms are not structured, happen only on ad-hoc basis, or not regularly.*

*and/or*

*2) The executive consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the executive determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.*

*In cases where there is discretion in who is allowed to participate, to select answer choice "c", the researcher must have evidence that the government is holding participation mechanisms that have some sort of public record (held in public, minutes of meetings released to public) so that all CSOs and members of the public can have knowledge of the meeting, who participated, and what was discussed.*

*Examples include hotlines, Facebook announcements, one-off meetings with NGOs in which there is a public record.*

*The researcher must present evidence to support selection of a "c" response.*

*Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.*

**Answer:**

c. Yes, the executive uses participation mechanisms during the budget implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

**Source:**

Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

Philippine Open Government Partnership (PH-OGP) National Action Plan 2017-2019: <https://www.opengovpartnership.org/documents/philippines-2017-2019-action-plan-updated>

OpenBuB Portal: <http://www.openbub.gov.ph>)

**Comment:**

Section 4 of Executive Order No. 325 on the Reorganization of the Regional Development Councils (RDCs) specifies that part of the functions of the RDCs, which is composed of at least 25 percent representatives from private sector and non-government organizations, is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. These RDC processes also allow NGO

representatives to take part and provide inputs in the monitoring and implementation of the annual budget.

Through the Philippine Open Government Partnership (PH-OGP) platform, the executive conducted numerous multi-stakeholder workshops which provided different non-government organizations to interact with government representatives and ask questions on the budget and the implementation of key priority governance reforms.

The OpenBuB portal allows citizens to monitor and provide comments on the status of implementation of on-going projects. Through the Philippine Open Government Partnership platform, the executive has also conducted numerous multistakeholder workshops which provided different nongovernment stakeholders to interact with government representatives and ask questions on the budget and implementation of key priority good governance reforms of the government.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the executive uses open participation mechanisms through which members of the public provide their inputs on budget implementation.

Comments: The RDC mechanisms are open to specific individuals/groups as members of the RDC. The OGP platform is continually nascent – in fact, the web location cited by the Open Governance Partnership Action Plan (<https://www.facebook.com/goodgovPH>) leads to an opposition civil society group and the dbm website for it <Http://governance.dbm.gov.ph> is inaccessible. However, there is continued activity in the OGP effort under the Duterte administration, with a new action plan being devised for 2019-2021 at [facebook.com/opengovPH](https://www.facebook.com/opengovPH) and continued posting on that account. A general review for this time period is found at <https://www.opengovpartnership.org/documents/philippines-end-of-term-report-2015-2017-year-2/> and does mention problems with broad participation. The BUB mechanism only ever applied to a subset of programs, and has been abandoned by the current administration as of mid-2016.

Government Reviewer

Opinion: Agree

Researcher Response

I agree with the comment of the Peer Reviewer on the discontinued Open BUB Portal. However, the RDC process remains an open participation mechanism through which members of the public and government officials exchange views on budget implementation, thus, justifying an "a" score.

IBP Comment

Based on the feedback of the peer reviewer and the researcher, as the Regional Development Councils (RDCs) are the mechanism that is being considered for this question, the score is revised from A to C. This is because only specific CSOs are invited to take part in meetings, and not the general public. See also the response to 125, where the RDCs are also considered for that question.

129. With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and underrepresented parts of the population on the implementation of the annual budget?

*GUIDELINES:*

*This question reflects the GIFT principle of "Inclusiveness", and examines the executive's effort to actively reach out to citizens who are from socially vulnerable groups and/or underrepresented in national processes. The emphasis here is on national government's efforts to obtain input from members of the public who are from socially vulnerable groups and/or underrepresented in national processes during the implementation of the annual budget.*

*To answer "a," the executive must actively seek out individuals from vulnerable and underrepresented community and/or civil society organizations representing vulnerable and underrepresented individuals and communities. The researcher must provide evidence to show the government's efforts and actions. The researcher must speak with the relevant government official(s), and subsequently double check with an alternative source, such as representatives from vulnerable/underrepresented groups.*

*Answer "b" applies if the national executive does not take concrete steps to incorporate vulnerable/underrepresented individuals, or organizations representing them, into participation mechanisms or if the executive does not use public participation mechanisms during the budget implementation stage.*

Answer:

b. The requirements for an "a" response are not met.

Source:

Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/>

Philippine Open Government partnership (PH-OGP) National Action Plan 2017-2019: <https://www.opengovpartnership.org/documents/philippines-2017-2019-action-plan-updated>

Comment:

Section 4 of Executive Order No. 325 on the Reorganization of the Regional Development Councils (RDCs) specifies that part of the functions of the RDCs, which is composed of at least 25 percent representatives from private sector and non-government organizations, is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities, as well as to coordinate the monitoring and evaluation of development projects under these government units. These RDC processes also allow NGO

representatives to take part and provide inputs in the monitoring and implementation of the annual budget.

Through the Philippine Open Government Partnership (PH-OGP) platform, the executive conducted numerous multi-stakeholder workshops which provided different non-government organizations to interact with government representatives and ask questions on the budget and the implementation of key priority governance reforms.

Peer Reviewer

Opinion: Agree

Comments: I agree with the rating; there are not concrete outreach steps to reach out to the vulnerable/underrepresented.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the executive takes concrete steps to receive input from individuals from and/or organizations representing vulnerable and underrepresented parts of the population on the implementation of the annual budget.

Comments: Disagree. It is recommended to change the rating of this item to A. The researcher has already agreed in his comment that citizens and non-government organizations are able to provide inputs and ask questions on the national budget through E.O. No. 325 and the PH-OGP platform. However, this is not consistent and is not reflected in the researcher's rating. Source: Executive Order No. 325 (Reorganization of the Regional Development Councils), 1996: <http://car.neda.gov.ph/eo-325-reorganization-of-the-regional-development-councils/> Philippine Open Government partnership (PH-OGP) National Action Plan 2017-2019: <https://www.opengovpartnership.org/documents/philippines-2017-2019-action-plan-updated>

Researcher Response

I agree with the Peer Reviewer.

IBP Comment

The researcher and peer reviewer's responses are confirmed. There is no evidence that the government take proactive steps to include vulnerable groups in the RDC consultation mechanism, therefore the score is B.

130. During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider all of the mechanisms currently used by the executive to promote public participation during the implementation of the annual budget.*

*Please note that while the public engagement can/may cover other topics – and for this reason the other questions assessing the executive's engagement with the public during budget implementation can be answered on the basis of engagement on topics other than the six listed above – for the purpose of answering this question, "key topics" are considered to be ONLY the ones listed above. If the executive's engagement with the public covers topics other than the six listed above, please specify these topics in the comments.*

*Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.*

*Answer "d" applies if requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.*

Answer:

c. The executive's engagement with citizens covers at least one (but less than three) of the above-mentioned topics.

Source:

Sarwell Meniano, "RDC to monitor 188 Eastern Visayas projects," Philippine News Agency, June 22, 2018: <https://www.pna.gov.ph/articles/1039190>

Comment:

National Economic and Development Authority (NEDA) Regional Director Bonifacio Uy, chair of the RDC's Regional Project Monitoring Committee (RPMC), said there are 188 projects picked by the body for monitoring. These projects include post-"Yolanda" reconstruction activities; resettlement sites in Tacloban City, Eastern Samar, Leyte, and Biliran; livelihood projects; irrigations; social infrastructure; agriculture and fishery; road and bridges; roads leading to tourism destinations; roads in conflict-stricken areas; seaports; and airports. Uy said the project monitoring initiative by RDC members both from government and private sector will help ensure timely implementation of programs and projects critical to the attainment of

goals in the 2017-2022 Regional Development Plan.

Peer Reviewer

Opinion: Agree

Comments: Any engagement is with respect to public services and social spending (and is not comprehensive).

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. The executive's engagement with citizens covers all six topics.

Comments: Disagree. It is recommended to change the rating of this item to A. In the example cited, the 188 projects cover topics on implementation of social spending, delivery of public services, and implementation of public investment projects, 3 out of the 6 cited topics. The DBM also livestreams on Facebook the briefings of the Development Budget Coordinating Committee (DBCC), Philippine Economic Briefings, and Sulong Pilipinas which tackles all six (6) topics on macroeconomic issues, revenue forecasts, policies, and administration, as well as deficit and debt levels.

Members of the public are allowed to comment and provide input via Facebook reactions and comments on this livestreams. DBCC briefing livestream on April 24, 2018: <https://web.facebook.com/DBMgovph/videos/2036994646554794/> DBCC briefing livestream, September 5, 2018: <https://www.facebook.com/DBMgovph/videos/1926326317667050/> PEB livestream: <https://www.facebook.com/DBMgovph/videos/297902551008178/>

Researcher Response

I revise the rating to "a" based on the citation provided by the Government Reviewer.

IBP Comment

As the consultation referred to by the government reviewer links to a different coordination body (DBCC) and not the RDC which is the mechanism assessed in this question, the DBCC should be considered on whether it is a public engagement mechanism. Based on the information publicly available about the DBCC (<https://www.dbm.gov.ph/index.php/dbcc-matters/about-the-dbcc>) it appears this is a coordinating body of the government, and does not involve any members of the public or civil society. For that reason, it cannot be counted for this question, even if the proceedings are live-streamed. Based on the government reviewer's comment of the 188 projects - this covers only delivery of public services and implementation of public investment projects. It does not cover implementation of all social spending, only the part related to these projects. The researcher's original response of C is confirmed.

131. When the executive engages with the public, does it provide comprehensive prior information on the process of the engagement, so that the public can participate in an informed manner?

Comprehensive information must include at least three of the following elements:

1. Purpose
2. Scope
3. Constraints
4. Intended outcomes
5. Process and timeline

**GUIDELINES:**

*This question relates to the GIFT principle of "Openness," and addresses whether the executive provides relevant information on the process of the engagement before public participation takes place, in order to help citizens engage effectively. The question addresses whether the "rules of the public engagement" are clearly spelled out, in advance and in detail, so that those members of the public who want to engage know how to do so, in terms of when they can do so, what they are expected to provide input on, by when, to whom, etc. This question does not cover the substance of the engagement, which is covered by questions 127 and 130.*

*Non-comprehensive information means that the government provides information that includes at least one but less than three of the elements listed above.*

*Purpose refers to a brief explanation of why the public engagement is being undertaken, including the executive's objectives for its engagement with the public.*

*Scope refers to what is within the subject matter of the engagement as well as what is outside the subject matter of the engagement. For example, the scope may include how a current policy is administered but exclude the specifics of the policies themselves.*

*Constraints refers to whether there are any explicit limitations on the engagement. An example of a constraint could be that any policy changes must not cost (or forgo revenue) more than a specific amount or have no net fiscal cost.*

*Intended outcomes refers to what the executive hopes to achieve as a result of the engagement. Examples of intended outcomes could be revising a policy to better reflect citizen or service-user views or to improve the way in which a particular program is administered.*

*Process refers to the methods by which the public engagement will take place and the discrete steps in the process. For example, the process may simply be a one-off Internet-based consultation, with a summary published of public inputs and the official response. The process may involve simultaneous or overlapping steps, and may be conducted in one round or in two or more rounds of engagement.*

*Timeline refers to the specific dates on which the discrete steps in the process will take place, or during which they will be completed, and clear start and end*

dates for the overall engagement.

Answer "d" applies if the executive does not use public participation mechanisms during the budget implementation or formulation stage.

Answer:

c. Information is provided in a timely manner in both or one of the two phases, but it is not comprehensive.

Source:

Announcement of consultations with Regional Development Councils, Civil Society Organizations, Student/Faculty Associations and PASUC, and other Stakeholders under the ADM, in FY 2019 Detailed Budget Preparation Calendar in Annex C of NBM 129:  
<https://www.dbm.gov.ph/index.php/209-latest-issuances/national-budget-memorandum/2018/406-national-budget-memorandum-no-129>

Comment:

OpenBuB Portal: <http://www.openbub.gov.ph>

The OpenBuB portal allows citizens to monitor and provide comments on the status of implementation of on-going projects. Through the Philippine Open Government Partnership platform, the executive has also conducted numerous multistakeholder workshops which provided different nongovernment stakeholders to interact with government representatives and ask questions on the budget and implementation of key priority good governance reforms of the government.

Peer Reviewer

Opinion: Agree

Comments: I agree with the rating, but not with the comment inasmuch as the OpenBuB portal has not been operative post 2016 under the current administration. And the Open Government Partnership has faced documented problems with broadening participation. However, the source as cited, the budget preparation calendar, does provide information for participation in the budget formulation, though the participation is of those members of the Regional Development Councils, budget partnership agreements, and universities/college communities.

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Comprehensive information is provided in a timely manner prior to citizens engagement only prior to one of the two phases (formulation OR implementation).

Comments: Disagree. To sustain previous efforts on strengthening the vertical and horizontal linkages in planning, programming and budgeting, the DBM-NEDA Joint Memorandum Circular on Regional Investment Programming dated November 21, 2018 was issued, prior to the FY 2020 budget call. Focusing on strengthening the Regional Development Council (RDC) processes participated in by civil society, this policy provides comprehensive prior information on the regional investment programming timeline and process for the budget formulation of the FY 2020 budget. Section 2.2 of this JMC specifically provides the procedure and timetable for Agency Central Office (AGO) to give feedback to the Regional Development Councils (RDCs), through the Agency Regional Offices (AROs), on the following: -Priority Programs, Activities, Projects (PAPs) under the Regional Development Investment Programs (RDIPs) included or not included in the GAA, and the reasons for non-inclusion; and -Priority PAPs under the RDIPs included in the agency budget proposals, and in the General Appropriations Act (GAA). Link: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/Joint%20Memorandum%20Circular/DBM-NEDA-JOINT-MEMORANDUM-CIRCULAR-JMC-NO-2018-1-CTC%20ONLY.pdf>

Researcher Response

Section 2.2 of the DBM-NEDA Joint Memorandum Circular provides the procedure and timetable for Agency Central Office (AGO) to give feedback to the Regional Development Councils (RDCs), through the Agency Regional Offices (AROs). I agree with the Government Reviewer to change the answer to b.

IBP Comment

As the circular cited by the government reviewer does not provide any details on the timeline for RDCs to conduct the consultations, and only provides details on when the RDCs will receive information from the Agency Central Office, this document does not provide a comprehensive timeline for how the public can engage in RDC consultations. The document that does have that information is posted on the website here: <http://nro10.neda.gov.ph/2018-rdc-full-council-meeting-resolutions/> and on Google Drive here <https://drive.google.com/file/d/1usvYplz0imjwCLTEhCoJKLcrH1KspvJT/view> Metadata for this document shows that it was only uploaded in December 2018, however, after the budget preparation process was already completed, which means that the public did not have access to this information in time to be able to participate in the process. For that reason, the score is revised from B to C.

132. With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received, which ones are used in the formulation of the annual budget, and how/why.*

*By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.*



Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget formulation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Comment:

A written record is not provided on how the inputs from the non-government stakeholders in the Regional Development Councils have been used in the formulation of the annual budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

IBP Comment

IBP notes that reports on the resolutions of the RDC are posted here: <http://nro10.neda.gov.ph/2018-rdc-full-council-meeting-resolutions/> However, on this website there is no report on how citizen feedback has been used to inform budget priorities. The researcher's response is confirmed.

133. With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

**GUIDELINES:**

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the executive provides information to citizens on which public inputs were received during the implementation of the annual budget, which ones are taken into account to improve budget monitoring, and how/why.*

*By "written record", we mean a document that is produced and released by the lead budget agency (Ministry of Finance, Treasury) that has set up and holds the participation activity.*

Answer "a" applies when the executive provides a written document with:

- The inputs (e.g., a written transcript) received from the public and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how)

Answer "b" applies when the executive provides a written document that includes:

- The inputs received (e.g., a written transcript) from the public and
- A not-so-detailed report, such as a document with a few paragraphs, on how public inputs were used or not used. This document only gives a general idea on how those inputs were or were not taken into account by the executive during budget monitoring.

Answer "c" applies when the executive provides a written document that includes:

- The inputs (e.g., a written transcript) received from the public or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the executive does not use public participation mechanisms during the budget implementation stage.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Comment:

A written record is not provided on how the inputs from the non-government stakeholders in the Regional Development Councils have been used to assist in the monitoring of the annual budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, the executive provides a written record which includes both the list of inputs received and a summary of the how the inputs were used to assist in monitoring the annual budget.

Comments: Disagree. It is recommended to change the rating of this item to C. The PH-OGP National Action Plan 2017-2019 publishes an Annex with list of inputs and government response on the inputs received from citizens. See the Annex A (pages 63-88) of the Philippine Open Government partnership (PH-OGP) National Action Plan 2017-2019: <https://www.opengovpartnership.org/documents/philippines-2017-2019-action-plan-updated>

Researcher Response

I revise the rating to "b" after the citation provided by the Government Reviewer.

IBP Comment

Based on earlier questions, the OGP website is not considered as a mechanism for these questions, only the RDC. Therefore, the researcher's original response of D is confirmed for this question.

134. Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

**GUIDELINES:**

*This question reflects the GIFT principles on "Sustainability," "Timeliness" and "Complementarity" and addresses whether the executive is able to link participation mechanisms to the administrative processes that are used to create the annual budget.*

*Please note that "timetable" refers to a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation. This document is sometimes referred to as the budget calendar and is the same document referenced in Question 53.*

*Answer "a" applies if the national executive establishes a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget. For answer choice "a", the timetable must be available to the public prior to the budget preparation process beginning.*

*Answer "b" applies if the executive does not establish a clear set of guidelines that enable citizens and civil servants to understand when participation mechanisms should be used to enable citizen inputs to be incorporated into the annual budget or if the executive does not use public participation mechanisms during the budget formulation or implementation stage.*

Answer:

a. Yes, the executive incorporates participation into its timetable for formulating the Executive's Budget Proposal and the timetable is available to the public.

Source:

National Budget Memorandum No. 129 (National Budget Call for FY 2019), January 3, 2018, page 26: <https://www.dbm.gov.ph/wp-content/uploads/Issuances/2018/National%20Budget%20Memorandum/NBM-No129.pdf>

Comment:

Annex C in National Budget Memorandum No. 129 contains the budget preparation calendar for FY 2019. Consultations with civil society organizations are scheduled on February 2018.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

135. Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

**GUIDELINES**

*While questions 125 – 135 focus only on participation mechanisms that the Ministry of Finance, lead budget agency, or central coordinating agency currently use to allow the public to participate in the national budget process, this question asks about participation mechanisms used by line ministries to allow the public to participate in national budget processes. Thus, participation mechanisms used by the Ministry of Finance, lead budget agency, or central coordinating agency should not be used to answer this question. If there is more than one mechanism used by a line ministry or if multiple line ministries use participation mechanisms, please select the deepest or most interactive mechanism that reflects the government's efforts to incorporate citizens' input into the formulation and/or implementation of the annual budget.*

*This question reflects the GIFT principles on "Inclusiveness" and "Timeliness" and assesses the extent to which the participation mechanism(s) used by the executive are truly interactive and involve a two-way conversation between citizens and the executive.*

*The drafting of this question and its answers are partially drawn from the IAP2 Spectrum of Public Participation, in particular with regards to the concepts of "involvement" (option "a" in the responses) and "consultation" (option "b"). See:*

[https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations\\_course/IAP2\\_P2\\_Spectrum\\_FINAL.pdf](https://cdn.ymaws.com/www.iap2.org/resource/resmgr/foundations_course/IAP2_P2_Spectrum_FINAL.pdf)

*To answer "a," a line ministry must use open participation mechanisms that involve the public in the formulation or implementation of the annual budget. This means that a public process is in place whereby CSOs and/or individual members of the public and government officials interact, and have the opportunity to express their opinions to each other in what can be considered a public dialogue between them (i.e., in-person and online discussion forums). Additionally, the mechanism should be open to any CSO and/or individual members of the public who wish to participate. By selecting this answer, the researcher must present evidence to support the presence of a public dialogue among citizens and government official. Examples include public meetings and online deliberative exchanges.*

*Answer "b" applies if an open consultation mechanism is in place whereby members of the public (i.e., individuals and/or CSOs as well as academics, independent experts, policy think tanks, and business organizations) can provide their input in the formulation or implementation of the annual budget. This answer applies if the government is using a mechanism that is structured and well established, and not ad-hoc. The researcher must present evidence to support the presence of consultative processes through which a line ministry seeks out inputs from citizens. Examples include surveys, focus groups, report cards, published policy consultation exercises, and online platforms that government officials actively manage to solicit inputs.*

*Answer "c" applies if a line ministry has established a mechanism or mechanisms to allow citizens to participate in the budget formulation phase, but:*

*1) The mechanisms are not structured and happen only on ad-hoc basis, or not regularly.*

*and/or*

*2) A line ministry consults with and/or interacts with, citizens, but there is discretion in who is allowed to participate, and the line ministry determines fully or partially such selection process by inviting specific groups (for example by making an open call but just to experts from a particular sector, or naming specific organizations). While it is not possible for all citizens and/or CSOs to participate in this or other phases of the budget process, options "a" and "b" apply if the government does not exercise any discretion in determining who is allowed to participate. While there is likely going to be self-selection, it is important that the selection is not made by the executive.*

*In cases where there is discretion in who is allowed to participate, to select answer choice "c", there should be some sort of public record (held in public, minutes of meetings released to public) so that the all CSOs and individual members of the public can have knowledge of the meeting, who participated, and what was discussed.*

*The researcher must present evidence to support selection of a "c" response.*

*Examples of mechanisms that might qualify as a "c" response include hotlines, Facebook announcements, and one-off meetings with NGOs in which there is a public record.*

Answer:

c. Yes, at least one line ministry uses participation mechanisms during the budget formulation or implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Source:

DILG, "DILG urges public to monitor local projects through SubayBAYAN," Philippine News Agency, July 31, 2018:  
<https://pia.gov.ph/news/articles/1011079>

Comment:

The government's drive for transparency in local governance has been further heightened with the launching of SubayBAYAN or Subaybayan ang Proyekto ng Bayan, an online platform on the implementation of the locally-funded projects (LFPs) being administered by the Department of the Interior and Local Government (DILG). DILG OIC-Secretary Eduardo M. Año says that more than a repository of information, SubayBAYAN will enable the public to have firsthand documentation on the development of various project implementations in their respective local government units (LGUs), creating a check and balance environment. "As what the name implies, the public can 'keep an eye' on the infrastructure and water projects being carried out by LGUs all over the country through SubayBAYAN to push them to fasttrack project implementation and ensure that government funds are being spent wisely and judiciously," says Año. The DILG Chief says that SubayBAYAN, accessible online through the DILG website [www.dilg.gov.ph](http://www.dilg.gov.ph), provides real time information on various projects' physical and financial status; information on actual location of projects thru map overlays and dashboard graphical representations; offers feedback mechanisms; and like and share information thru social media like Facebook.

Peer Reviewer

Opinion: Disagree

Suggested Answer:

c. Yes, at least one line ministry uses participation mechanisms during the budget formulation or implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).

Comments: The researcher's comments have to do with budget projects of the local government units, not the Executive Budget of the national government. Mechanisms such as meetings of the Regional Development Councils can be venues for specific line agencies to interact, as can budget partnership agreements, but these are only ad hoc and not open to everyone.

Government Reviewer

Opinion: Agree

Researcher Response

I agree with the Peer Reviewer. I change my answer to c.

136. Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

**GUIDELINES:**

*This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.*

*Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) has put in place and is using to allow the public to participate in their deliberations on the annual budget. This includes deliberations during the pre-budget phase (i.e., when the executive is still in the process of formulating the draft budget) and the budget discussions after the budget has been tabled to parliament and before it is approved. In the comment box, please specify during which stage of the budget cycle the legislature has put in place a public participation mechanism.*

*Mechanisms through which members of the public reach out to individual Members of Parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.*

*If there is more than one mechanism, please select a mechanism that best shows/reflects the legislature's efforts to incorporate citizens into the formulation of the annual budget. The participation mechanisms can involve a range of different issues, such as revenues, policy selection, and macro-fiscal planning (please note that the issue of coverage is covered in a subsequent question).*

*To answer "a," the legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).*

*Answer "b" should be selected if the following applies:*

- *The legislature holds public hearings on the budget;*
- *Testimony is not allowed from members of the public or CSOs; but*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

Answer "c" should be selected if the following applies:

- The legislature holds public hearings on the budget;
- Testimony is not allowed from members of the public or CSOs;
- No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, but
- The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget

Answer:

c. Yes, public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Source:

Committee Daily Bulletin, Vol. III, No. 5, 17th Congress, Third Regular Session, July 31, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v3i5-20180731.pdf>

Comment:

Public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, public hearings are held. No testimony from the public is provided during the public hearings, but contributions from the public are received through other means.

Comments: Disagree. It is recommended to change the rating of this item to B. The HOR has livestreamed its public deliberations on the national budget on Facebook which allowed the public to provide input to the hearings via Facebook reactions and comments from July to September 2018.

Link to compilation of HOR livestreamed videos (check uploads from July to September 2018):

[https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page\\_internal](https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page_internal) Sample livestream:

<https://www.facebook.com/HouseofRepsPH/videos/1960580270670075/>

Researcher Response

The revised answer is "b" since the Government Reviewer provided the citation where the House of Representatives provide livestreamed videos of public hearings on the budget through Facebook where public inputs are received through alternative processes.

IBP Comment

While it is great that the events are live-streamed, there is no evidence that there is any interaction with the public's feedback into the public deliberations on the national budget. Therefore, the highest score both the live-stream and the public hearing can receive is a C. The researcher's original response is confirmed.

137. During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

**GUIDELINES:**

This question reflects the GIFT principles of "Transparency" and "Timeliness". Please consider the range of mechanisms currently used by the legislature to promote public participation during legislative deliberations on the annual budget.

Please note that while the public engagement can/may cover other topics, for the purpose of answering this question, "key topics" are considered to be only the ones listed above. If the legislature's engagement with the public covers topics other than the six listed above, please specify these topics in the

comments.

Note also that this question assesses only the coverage of public engagement (i.e., "what issues is the public invited to engage on?") and issues related to the depth of engagement or selectivity of engaged are not dealt with by this question.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Committee Daily Bulletin, Vol. III, No. 5, 17th Congress, Third Regular Session, July 31, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v3i5-20180731.pdf>

Comment:

The legislature does not have public participation mechanisms during its deliberations on the national budget.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. The legislature seeks input on all six topics.

Comments: Disagree. It is recommended to change the rating of this item to A. The House of Representatives (HOR) livestreamed on Facebook the DBCC briefing on the National Budget held on July 31, 2018 which covered discussions on all key topics mentioned under this item. HOR has also livestreamed succeeding budget deliberations on Facebook which allowed the public to provide input to the hearings via Facebook reactions and comments from July to September 2018. This provided a platform for citizens to provide input to the ongoing deliberations via Facebook live reactions and comments. Link to DBCC Briefing on the FY 2019 Budget with HOR, July 31, 2018:

<https://web.facebook.com/HouseofRepsPH/videos/10155308221797271/> Link to compilation of HOR livestreamed videos (check uploads from July to September 2018): [https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page\\_internal](https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page_internal)

Researcher Response

I changed the score to "a" after looking at the citation on livestreamed videos of budget deliberations in Congress.

IBP Comment

Despite the livestreamed videos, it does not appear that the HoR requests input from the public during these livestream, only broadcasts the proceedings. As that does not count for this question, the researcher's original response of D is confirmed.

138. Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?

**GUIDELINES:**

This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the legislature provides information to citizens on which public inputs were received and how inputs were used during legislative deliberations (please note that these deliberations can refer to the pre-budget and approval phases). By "written record" in this question, we mean a document that is produced and released by the legislature.

Answer "a" applies when the legislature provides a written document with:

- The inputs received from the public (e.g., a written transcript) and
- A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).

Answer "b" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) and
- A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used in legislative deliberations on the annual budget (please note that these deliberations refer to the pre-budget and approval phases).

Answer "c" applies when the legislature provides a written document that includes:

- The inputs received from the public (e.g., a written transcript) or
- A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the annual budget.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Committee Daily Bulletin, Vol. III, No. 5, 17th Congress, Third Regular Session, July 31, 2018: <http://www.congress.gov.ph/legisdocs/cdb/cdb17-v3i5-20180731.pdf>

Comment:

The legislature does not provide feedback to the public on how citizens' inputs have been used during budget deliberations.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Agree

139. Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?

*GUIDELINES:*

*This question reflects the GIFT principle on "Sustainability," "Transparency," and "Complementarity" and assesses the extent to which the participation mechanism(s) used by the legislature are interactive and involve a two-way conversation between citizens and the legislature, rather than being limited to allowing the public to attend or hear public budget deliberations.*

*A key constitutional role of the legislature in almost all countries is to oversee the government's management of public resources. While the Supreme Audit Institution is responsible for checking the government's accounts and publishing the outcome of their audits, for accountability purposes it is essential that the legislature reviews and scrutinizes those reports, and checks on whether the executive is taking the appropriate corrective actions based on the Supreme Audit Institution's recommendations.*

*Holding public hearings to review audit findings allows the public to learn more about how the government has managed its resources for the budget years that have ended, and demand accountability in case of mismanagement and irregularities. Reviewing and discussing those reports in public is therefore a key responsibility of a legislature.*

*Please note that by "Audit Report" we refer to the same audit report assessed in the transparency section of this Survey, i.e., one of the eight key budget documents that all governments (in this case, the Supreme Audit Institution) must produce, according to best practice.*

*Please consider participation mechanisms that the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) have put in place and using to allow the public to participate in their deliberations on the Audit Report.*

*Mechanisms through which members of the public reach out to individual members of parliament as opposed to the legislature (both in its whole institution or its relevant budget/public accounts/finance committees) or unofficial hearings organized by a subset of committee members should not be considered in answering this question.*

*To answer "a," the national legislature must hold public hearings where citizens are allowed to testify. This answer applies only if the legislature does not exercise discretion in determining which citizens and/or CSOs can testify (for example, participation takes place on a first-come-first-served basis).*

*Answer "b" should be selected if the following applies:*

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public; BUT*
- *There are other means used by the legislature to receive and collect views from citizens and CSOs on the budget, and the legislature does not exercise discretion in determining which citizens and/or CSOs can provide input. The researcher must provide evidence to support the presence of those alternative processes through which the legislature seeks inputs from citizens. For example, there should be a public record indicating that views from citizens and the public were sought.*

*Answer "c" should be selected if the following applies:*

- *The legislature holds public hearings on the budget;*
- *No testimony is allowed from the public;*
- *No other means are used by the legislature to receive and collect views/input from citizens and CSOs on the budget, BUT*
- *The legislature invites a few individuals/groups to provide input (through public hearings or elsewhere)*

Answer "d" applies if the requirements for a "c" response or above are not met or if the legislature does not use public participation mechanisms during its deliberations on the Audit Report.

Answer:

d. The requirements for a "c" response or above are not met.

Source:

Section 101 (General Provisions), General Appropriations Act FY 2018, Official Gazette, Vol. 113, No. 1, p. 640: <https://www.dbm.gov.ph/wp-content/uploads/GAA/GAA2018/Volumel/GENPRO.pdf>

Comment:

Section 101 under the General Provisions of the General Appropriations Act of 2018 provides that "the Senate and the House of Representatives shall constitute a Joint Congressional Oversight Committee on Public Expenditures which shall primarily monitor compliance by agencies with the requirements and/or conditions in the utilization of public funds under this Act and pertinent laws." However, the Committee did not organize public hearings where civil society organizations or members of the public can testify on the Audit Report.

Peer Reviewer

Opinion: Agree

Government Reviewer

Opinion: Disagree

Suggested Answer:

b. Yes, public hearings on the Audit Report are held. No testimony from the public is provided during the hearings, but contributions from the public are received through other means.

Comments: Disagree. HOR livestreams its committee hearings, including public deliberations where it examines Audit Report findings. To cite an example, when Congress reopened its probe on the Dengvaxia controversy, the public deliberations which also tackled the respective COA report findings were livestreamed via Facebook on November 20 and 21, 2019. This allowed the public to provide input to the on-going hearings via live Facebook reactions and comments. Link to compilation of HOR livestreamed videos (please check videos posted on November 20 and 21, 2019): [https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page\\_internal](https://web.facebook.com/pg/HouseofRepsPH/videos/?ref=page_internal) The videos were uploaded in six parts for each day. Specific Facebook links: <https://web.facebook.com/HouseofRepsPH/videos/2158364477748626/> <https://web.facebook.com/HouseofRepsPH/videos/2195335154057454/> <https://web.facebook.com/HouseofRepsPH/videos/200365274234846/> <https://web.facebook.com/HouseofRepsPH/videos/300902707300941/> <https://web.facebook.com/HouseofRepsPH/videos/1270619496409181/> <https://web.facebook.com/HouseofRepsPH/videos/264252200956120/> <https://web.facebook.com/HouseofRepsPH/videos/264252200956120/> <https://web.facebook.com/HouseofRepsPH/videos/122184462009530/> <https://web.facebook.com/HouseofRepsPH/videos/265600327490021/> <https://web.facebook.com/HouseofRepsPH/videos/265600327490021/> <https://web.facebook.com/HouseofRepsPH/videos/362039744599577/> <https://web.facebook.com/HouseofRepsPH/videos/368379270571600/> <https://web.facebook.com/HouseofRepsPH/videos/737073576642674/> <http://www.congress.gov.ph/press/details.php?pressid=11062>

Researcher Response

I agree to revise the rating from "d" to "b" based on the web and video links provided by the Government Reviewer.

IBP Comment

Public livestreams of these meetings do not count as the government requesting input from the public during the proceedings. As the links provided do not show any request for inputs, nor use of any inputs from the public, this response is confirmed as D.

140. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

**GUIDELINES:**

*This question assesses whether the Supreme Audit Institution (SAI) has established mechanisms through which the public can provide suggestions on issues/topics to be included in its audit program. When deciding its audit agenda, the SAI may undertake audits for a sample of agencies, projects, and programs in the country; and such a selection could be based on complaints and suggestions made by members of the public. To receive such suggestions, the SAI may create formal mechanisms, like setting up a website, hotline, or office (or assigning staff to liaise with the public).*

Answer:

a. Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program.

Source:

Commission on Audit, Citizen Participatory Audit Program: <https://cpa.coa.gov.ph/>

Comment:

The Commission on Audit (COA) maintains the Citizen Participatory Audit (CPA) mechanism where citizen auditors and civil society organizations (CSOs) can suggest topics to include in its audit program. Under this mechanism, CSOs can provide inputs in the selection of the agency or project to be audited. They can also provide inputs in establishing the audit objectives and criteria.



Peer Reviewer

Opinion: Agree

Comments: To be sure, this Citizens Participatory Audit approach is utilized in a small fraction of the overall audit program of the Commission on Audit.

Government Reviewer

Opinion: Agree

Comments: In addition to the CPA mechanism, there is a Citizen's Desk and Fraud Alert Unit in COA. <https://cdrs.coa.gov.ph/>

IBP Comment

IBP confirms the government reviewer's response about the Citizen's Desk and Fraud Alert Unit in COA (<https://cdrs.coa.gov.ph/>) as the basis for an A to this question. The Citizens Participatory Audit is a process for collecting citizen feedback on specific audit investigations, not input into the audit program. Therefore the mechanism assessed here is the Citizen's Desk and Fraud Alert Unit, which both collects suggestions of fraud and allows members to check on the status of their request.

141. Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

*GUIDELINES:*

*This question reflects the GIFT principles of "Transparency" and "Sustainability", and examines the extent to which the Supreme Audit Institution provides information to citizens on which public inputs were received, which ones are used to determine the Supreme Audit Institution's audit program. By "written record" in this question, we mean a document that is produced and released by the Supreme Audit Institution.*

*Answer "a" applies when the Supreme Audit Institution provides a written document with:*

- *The inputs received from the public and*
- *A detailed report on how the inputs were used or not used (such report should include information on which inputs were used or not used, why, and how).*

*Answer "b" applies when the SAI provides a written document that includes:*

- *The inputs received from the public and*
- *A not-so-detailed report on how public inputs were used or not used. This document only gives a general idea on how those inputs were used or not used to determine the SAI's annual audit program.*

*Answer "c" applies when the SAI provides a written document that includes:*

- *The received from the public or*
- *A report (being it detailed or not-so-detailed) on how public inputs have been used or not used.*

*Answer "d" applies if requirements for a "c" response or above are not met or if maintain formal mechanisms through which the public can suggests issues/topics to include in the SAI's audit program.*

Answer:

c. Yes, the SAI provides a written record which includes either the list of the inputs received or a report or summary on how they were used.

Source:

<https://cpa.coa.gov.ph/cpa-wash-cagayan-de-oro-2017/>

Comment:

Under the Citizen Participatory Audit (CPA) mechanism, the Commission on Audit (COA) provides a written CPA report which includes the inputs received from citizens and a detailed account of how the inputs were used to determine its audit program.

Peer Reviewer

Opinion: Agree

Comments: It is to be noted in this context that the Citizen Participatory Audit mechanism of the Commission on Audit is generally very project or site specific. For instance, the source cited refers to the implementation of Water and Sanitation Facilities (WASH) programs in five public schools in one city.

Government Reviewer

Opinion: Disagree

Suggested Answer:

a. Yes, the SAI provides a written record which includes both the list of the inputs received and a detailed report of how the inputs were used to determine its audit program.

Comments: It is recommended to change the answer here from C to A. The researcher has already affirmed in his comment that the CPA report both the list of the inputs received and a detailed account of how citizens' inputs have been considered to determine its audit program. However, this is not consistent and is not reflected in the researcher's rating. <https://cpa.coa.gov.ph/cpa-wash-cagayan-de-oro-2017/>

Researcher Response

The rating is changed to "a" after the citation provided by the Government Reviewer.

IBP Comment

IBP confirms the government reviewer's response about the Citizen's Desk and Fraud Alert Unit in COA (<https://cdrs.coa.gov.ph/>) as the mechanism assessed in this question. The Citizens Participatory Audit is a process for collecting citizen feedback on specific audit investigations, not input into the audit program, and is assessed in Q142. Citizens may be able to submit suggestions for participatory audits (<https://cpa.coa.gov.ph/contact/>) but there is no information on how those inputs have been used. The project selection process for the CPA is described here: <https://cpa.coa.gov.ph/cpa-project-selection-criteria/> That document also does not show how citizen suggestions for CPAs are used in the process. Therefore the main mechanism assessed in this question is the Citizen's Desk and Fraud Alert Unit, which both collects suggestions of fraud and allows members to check on the status of their request. IBP accepts answer choice "c" based on the Citizen's Desk available on the COA's website and citizens ability to check on the status and receive responses to their ticket. However, as there is no report that shows how 'all' requests have been used to determine the audit program, the score is not higher than a C.

142. Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

*GUIDELINES:*

*This question mirrors question 140, but instead of covering public assistance in formulating the SAI's audit program, it focuses on whether the Supreme Audit Institution has established mechanisms through which the public can participate in audit investigations. In addition to seeking public input to determine its audit agenda, the SAI may wish to provide formal opportunities for the public and civil society organizations to participate in the actual audit investigations, as witnesses or respondents.*

Answer:

a. Yes, SAI maintains formal mechanisms through which the public can contribute to audit investigations.

Source:

Commission on Audit, COA Resolution No. 2018-006 (Adoption and Institutionalization of the Citizen Participatory Audit in the Commission on Audit), February 21, 2018: <https://cpa.coa.gov.ph/coa-resolution-2018-006/>

Comment:

The Commission on Audit (COA) adopted and institutionalized the Citizen Participatory Audit (CPA) through COA Resolution No. 2018-006 on February 21, 2018. Through this policy, the CPA is recognized as a mechanism in conducting audits with citizens and civil society organizations as members of COA Audit Teams to make the government more effective, transparent and accountable.

Peer Reviewer

Opinion: Agree

Comments: Citizens can be directly involved in audit investigations, but overall this is rare.

Government Reviewer

Opinion: Agree