INSIGHT FROM A DBM JUNIOR LEADER

How We Hiked the Numbers for Infrastructure

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NAIA-1 rated world's worst airport. LRT-1 downgrades operations due to technical problems. MRT suffers signaling problem anew and its operations limited.

You must have heard or read these horror stories about our major transportation systems. Probably, you have asked why these issues have persisted and what the government has done to address them. This article tries to provide you with some answers, but only on how the DBM takes part in addressing our transport problems.

The transport infrastructure has been put in the list of priority programs of the Aquino administration. Spending on infrastructure has cumulatively grown by 245.4 percent from 2010 to 2015. Infrastructure outlays for 2015 represent 4 percent of GDP. For 2016, the government has budgeted 5 percent of the GDP to boost infrastructure.

The DOTC is the lead agency mandated to develop and implement integrated transport infrastructure projects. The agency has delivered the following: Laguindingan International Airport, which opened in 2013; the full operationalization of the Ninoy Aquino International Airport (NAIA) Terminal 3 in 2014; the rehabilitation of the NAIA Terminal 1, completed in 2015; and the implementation of the Contactless Automatic Fare Collection System or the use of "Beep" cards in LRT Lines 1 and 2 and MRT Line 3 in 2015.

The DOTC is working on the Puerto Princesa International Airport Development Project; the New Bohol (Panglao) International Airport Development Project; the LRT Line 1 South Extension Project to Bacoor, Cavite; the LRT Line 2 East Extension to Masinag, Antipolo; and the MRT 3 Rehabilitation and Capacity Expansion, among others.

From 2012 to 2016, the national budget for transport infrastructure increased, from P13.9 billion to P29.3 billion, respectively, with a dramatic increase in 2014 at P33.1 billion and again in 2015 at P34.3 billion.

How did the DBM arrive at these amounts? Arriving at these budget figures took major considerations, and lot of analytical thinking, too, to be able to recommend a budgetary level for a specific program or project, especially for infrastructure.

The process starts from an evaluation done by a DBM budget analyst. As one, I evaluate the budgetary requirements of the agency's proposed programs and projects in the preparation of the annual national budget. In the evaluation, we consider the absorptive capacity or the agency's ability to utilize the budget. We look at the required approvals and clearances from other government agencies, such as the NEDA, for a project's viability and feasibility. The most critical matter that we consider is the country's limited fiscal resources, which therefore requires prioritization of projects, among others.

We prioritize ongoing or existing projects in order to support their completion. Funding for new projects are accommodated against the fiscal space—the remaining funds after all ongoing and existing programs and projects have been considered, as we also look at what can still be accommodated considering the projects of other agencies. Our task at the DBM does not end at the allocation of funds—we also monitor their utilization. We need to know in detail what the DOTC, for example, has accomplished using the funds allocated as input to the DBM's budget review and assessment of the agency's performance.

The DOTC faces the ultimate challenge of delivering the targeted outcomes. It is easy for the public to know when infrastructure projects are being delivered by the agency: they just have to look with their own eyes.

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