



Republic of the Philippines  
DEPARTMENT OF BUDGET AND MANAGEMENT



**A Story of  
Budget and Management Reforms  
2010-2016**

# About the Publication

The Budget is not just about figures that add up to what the government can spend each year: it represents the government's blueprint for progress.

This publication reveals the story behind the budget and management reforms implemented by the government under the Aquino administration. Specifically, it chronicles the journey taken by the Department of Budget and Management (DBM), together with its government partners and its stakeholders, to shape the Budget into what it is now: one that is spent within means, aligned with the pressing social and economic priorities, monitored for delivery and impact, and crafted with the people's voice and stake.

This comprehensive volume, published with an Executive Summary, documents the starting points of key budget and management reforms, the achievements so far, and the remaining challenges to be addressed by further reform. This publication also serves as DBM's accomplishment report for fiscal year 2015.

The DBM hopes that these publications provide a takeoff point for the academic community to deepen the research on Philippine PFM. Ultimately, it is hoped that this report helps sustain the dialogue and collaboration between DBM and its stakeholders on how to navigate the next phase of the reform agenda for budget reform under the incoming administration, for the sake of further empowering citizens in how their taxes are spent.

The title "*Kuwento sa Bawat Kuwenta*," which roughly translates as "the story behind each peso," is in fact a saying coined by DBM Usec. Luz M. Cantor. Through the years, the DBM workforce has widely used such phrase in describing the deeper purpose and meaning of their work: beyond crunching the numbers, to ensure that these figures add up to the country's vision for progress.

# Kuwento Sa Bawat Kuwenta

## A Story of Budget and Management Reforms 2010-2016

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# Foreword

For the most part of its history, the Department of Budget and Management (DBM) has operated behind the scenes, its work made inaccessible by the technical nature of the budget process. Over the last six years, however, DBM has moved away from the sidelines and reinvented itself as a prominent agent of governance reform.

The DBM's journey in budget and management reform under the Aquino administration began with small but certain steps. For the first time since 1986, the government has sustained the early passage of the National Budget for six years in a row, ensuring its swift implementation and safeguarding it from abuse. Along the way, DBM cleared bottlenecks and plugged leakages, ensuring that every peso spent would have maximum impact.

The DBM and its partners in the government—including the Department of Finance, the National Economic and Development Authority, and the Commission on Audit—collaborated on many reform policies that stabilized the nation's fiscal health, linked spending with desired socio-economic results, and rationalized public finance processes. Through these reforms, public spending has improved and has helped drive our economy ahead of our regional neighbors.

Moreover, ordinary Filipinos have taken the center stage in the budget process. Fiscal openness reforms earned for the government international recognition, for example, Bottom-up Budgeting, as a groundbreaking reform in participatory budgeting. In 2015, the Philippines was ranked 21st in the world in the Open Budget Index, joining a select group of countries with substantial budget transparency. These gains could not have happened without DBM's partners in the government, civil society, and other sectors.

These gains were not without their challenges. Often, the government faced resistance to the reform initiatives, and it had to wrestle with painful controversies. These difficulties now come to us as valuable lessons, which, I believe, will guide the DBM toward excellence. I believe, too, that history will be kind to the men and women of DBM who worked passionately for the cause of reform and who, over the last six years, transformed the agency into an institution of integrity and competence.

This publication encapsulates DBM's reform narrative over the last six years. Together with an Executive Summary, this comprehensive documentation captures the starting points of reforms, the achievements thus far, and the challenges that remain. Through this summary and the main volume, we hope to pass on DBM's reform efforts to its future leaders—as well as to its valued partners in civil society, the international community, and other reform stakeholders—so they may build on the gains and navigate the next phase of budget reforms under the new administration.

In concluding my term, I remain humbled and honored to have served the Filipino people alongside the men and women of DBM, who, to the very end, demonstrated outstanding skill and principle as public servants. May the Filipino people always be at the heart of DBM's endeavors.

**Secretary Florencio B. Abad**  
*July 2010 to June 2016*



# Table of Contents

<b>Introduction</b>	<b>7</b>	<b>5. Linking Budgeting and Results</b>   Making Every Peso Count Through Measurable Performance	<b>150</b>
		<i>Infographic Summary</i>   Linking Budgeting and Results	162
		<i>Insights from Junior Leaders</i>   <i>Performance Informed Budgeting</i> by J. Karim	166
		<i>A New Bureau for Performance M&amp;E</i> by B. Bernal	167
<b>Spending Within Our Means</b>	<b>17</b>	<b>6. Integrated PFM</b>   Leveraging Technology and People for Efficient and Effective Service Delivery	<b>168</b>
<b>1. Fiscal Management</b>   How the Government Reduced the Deficit and Doubled the Budget in Six Years	<b>18</b>	<i>Insight from a Junior Leader</i>   <i>The OSBP Experience</i> by Z. Cruz	181
<i>Sidebars</i>   Public-Private Partnerships	29	<i>Infographic Summary</i>   Integrated PFM	182
Fiscal Risks Management	31	<i>Insights from Junior Leaders</i>   <i>UACS: A Tough but Necessary Transition</i> by M. Tejerero	184
Reforming GOCCs	34	<i>UACS: the 54-Digit Challenge</i> by M. de Leon	185
<i>Insight from a Junior Leader</i>   <i>ZBB: The Art of Letting Go</i> by M. Abogado	39		
<i>Infographic Summary</i>   How We Freed Up More Resources for Development	40		
		<b>Empowering Citizens</b>	<b>187</b>
<i>Feature</i>   <b>Meaningful Devolution</b>	<b>42</b>	<b>7. Fiscal Transparency</b>   How the Government Improved Access to Budget Information	<b>188</b>
		<i>Insight from a Junior Leader</i>   <i>Transparency (&amp; Less Overtime) through GAARD</i> by M. Marasigan	201
<b>Investing in the Right Priorities</b>	<b>51</b>	<i>Infographic Summary</i>   Fiscal Transparency	202
<b>2. Linking Planning and Budgeting</b>   How Each Peso Meets the Country's Development Goals	<b>52</b>	<b>8. Budget Integrity</b>   How the Government Strengthened the Ecosystem of Accountability in PFM	<b>204</b>
<i>Insight from a Junior Leader</i>   <i>2TBA: Curing the Health Budget</i> by M. Darunday	67	<i>Infographic Summary</i>   Budget Integrity and Accountability	216
<i>Infographic Summary</i>   Linking Planning and Budgeting	68	<i>Insights from Junior Leaders</i>   <i>Less SPFs, More Accountability</i> by S. Abuel	218
		<i>How We Improved Accountability Reporting</i> by J. Navarro	219
<i>Features</i>   <b>Funding the Agenda for Inclusive Development</b>	<b>70</b>		
<i>Insights from Junior Leaders</i>   <i>How DBM Supported K-12</i> by B. Zuñiga	77	<i>Feature</i>   <b>Internal Control</b>	<b>220</b>
<i>How We Hiked the Numbers for Infrastructure</i> by E. Daquioag	78	<i>Insights from Junior Leaders</i>   <i>Learning Internal Audit by Doing It</i> by M. Figuro-Gaces	227
<i>How We Revamped the Agriculture Budget</i> by K. Madrigal	79	<i>Aha Moment on that Thing Called Internal Control</i>	228
		<b>9. Citizen's Participation</b>   How the Government Empowered the Citizens to Engage the Budget Process	<b>229</b>
<i>Feature</i>   <b>The End of Pork as we Know It</b>	<b>81</b>	<i>Infographic Summary</i>   Citizen's Participation in the Budget Process	240
		<i>Insight from a Junior Leader</i>   <i>The Bottom Line of BUB</i> by V. Mendoza	242
<b>Delivering Measurable Results</b>	<b>91</b>	<i>Sidebar</i>   How BUB Helped Weave a Davao Family Together	243
<b>3. Fast and Efficient Budget Execution</b>   How Spending is Sped Up to Deliver Results	<b>92</b>	<b>Conclusion</b>	<b>245</b>
<i>Sidebars</i>   A Recurring Battle: Tackling Major Episodes of Sluggish Spending	97	<i>Feature</i>   <b>The Proposed Public Financial Accountability Act</b>	<b>256</b>
How Agencies Report Budget Execution Data	101	<i>Sidebar</i>   The Current Legal Framework on PFM in the Philippines	259
<i>Infographic Summaries</i>   Fast and Efficient Budget Execution	108	<i>Infographic Summary</i>   The Proposed Public Financial Accountability Act	268
Highlights of Spending Performance	110		
<i>Insights from Junior Leaders</i>   <i>The Birth Pains of GAA-as-Release Document</i> by L. Pereda	112	<i>Feature</i>   <b>The DBM's Institutional Strengthening Efforts</b>	<b>270</b>
<i>GAARD: A Luxury Car that Needs a Good Driver</i> by T. Baraan	113	<i>Insight from a Young Senior Official</i>   <i>From Fear to Trust: A Reflection</i> by Usec. C. Amador	281
<i>Going Checkless and Cashless</i> by J. Galarpe	114	<i>Infographic Summary</i>   The DBM's Institutional Strengthening Efforts	282
<i>FDUs: A Closer Eye to Speed Up Spending</i> by M. Belaro	115		
		<b>The Budget Cycle</b>	<b>287</b>
<i>Sidebar</i>   The Aftermath of DAP	116	Bibliography	291
		Acknowledgements	298
<i>Feature</i>   <b>Procurement Reform</b>	<b>119</b>		
<i>Insight from a Junior Leader</i>   <i>Early Procurement: Just Do It!</i> by M. Domingo	131		
<i>Infographic Summary</i>   Procurement Reform	132		
<b>4. Government Compensation Reforms</b>   Competitive Pay to Incentivize Good Performance	<b>134</b>		
<i>Infographic Summary</i>   Government Compensation Reforms	146		
<i>Insights from Junior Leaders</i>   <i>The Struggle to Pass a Salary Hike</i> by J. Pedro	148		
<i>The Difficult Task of Transforming Institutions</i> by G. Janda	149		