



Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT

2022

PEOPLE'S PROPOSED BUDGET

Sustaining the Legacy of Real Change for the Future Generations





About the Cover

The Duterte Administration began its journey with the Filipino people with the vision and commitment to make real change happen in the country. As the Administration concludes its years of service, and even amidst a global health crisis, it continues to persevere in transforming this vision into reality through the sustained implementation of strategic programs and policies that will ensure a bright future for generations of Filipinos. This commitment is clearly reflected in the priorities of its last fully-enacted financial plan – the 2022 National Budget.

The cover design is inspired by Filipinos from all walks of life to whom the current Administration wishes to leave a legacy of real, positive change for all generations.

Ang 2022 Badyet: Mula sa pangangailangan ng tao para sa kapakanan ng tao

Cover design and description by: Junrey E. Rosales

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Foreword



The Proposed National Budget for Fiscal Year 2022, submitted by President Rodrigo Roa Duterte to the 18th Congress on August 23, 2021, affirms the Administration's commitment in the coming year to decisively address the continuing challenges of the global health crisis without compromising on the Filipino people's desire for change and their aspirations for a better life.

The Php5.024 Trillion Proposed 2022 National Budget is the last full-year government budget to be enacted under the Duterte Administration. This proposal is equivalent to 22.8 percent of the country's Gross Domestic Product (GDP) and higher by 11.5 percent than last year's National Budget.

Though this financial program covers an entire fiscal year, with the scheduled turn-over to the next administration by mid-year, its implementation will transition from the present administration to the next. This reality was at the core of and shaped the planning process for the country's expenditure program for 2022.

Undeniably, this proposed National Budget will be crucial, not only to support a smooth and efficient transition, but to serve as a critical link between the present and the future, maintaining the momentum of development and sustaining the legacy of change – promised and delivered – for Filipinos today and for the future generations.

Moreover, against the backdrop of a still raging pandemic that has already severely impacted the physical and

financial health of the people and the nation, this proposed National Budget holds even greater significance. While we now seem to have survived the worst of the crisis, much damage has been inflicted on our country. Our people have suffered, the economy has taken a beating, and development has been derailed. But fortunately, only temporarily – because the Administration has always been in control. The leadership has always been on top of the situation, fully understanding the problems, and committed to addressing them immediately and appropriately.


The Proposed 2022 National Budget reflects this commitment – to heal and recover. And, even beyond this, it reveals the determination of the Duterte Administration to ensure that the journey continues towards full realization of its vision and goals for the Filipino people.

As President Duterte declared during the last Budget Message he delivered, *"We need to give back to our people the dreams that they have almost abandoned, as they struggled to survive the pandemic. We need to get on the road to recovery and resume our journey to peace and progress."*

These theme and narrative are highlighted in the 2022 *People's Proposed Budget*. It keeps the focus on ensuring the country's recovery from the pandemic through strategies and measures that would reduce if not finally halt the spread of the COVID-19, and cushion the economic and social shocks of the pandemic. This, without losing sight of the Duterte Administration's goals and priorities aimed at building a better Philippines through change for positive transformation and the fulfillment of national aspirations.

The Proposed 2022 National Budget will ensure that the legacy of real change – the Duterte Administration's mandate from and promise to the Filipino people – will live on and bear lasting fruit in the strongly-rooted, comfortable, and secure lives of future generations of Filipinos.

In this publication, the 2022 *People's Proposed Budget*, the Department of Budget and Management (DBM) provides a concise but comprehensive presentation of how these objectives, priorities, and strategies will be pursued and achieved in the coming year, and even beyond the Duterte Administration. This is our blueprint, the strength of our roadmap for the sure way forward.


TINA ROSE MARIE L. CANDIA
Officer-in-Charge



The Proposed 2022 National Budget



Department of National Defense



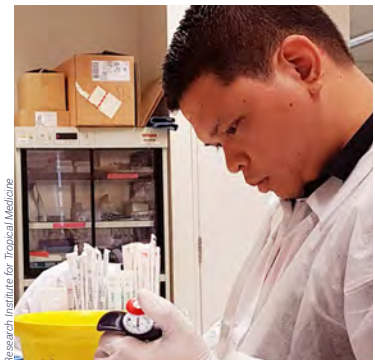
Department of Agriculture



Department of Trade and Industry



Department of Trade and Industry



Research Institute for Tropical Medicine

Sustaining the Legacy of Real Change for the Future Generations

Real change that is felt in all levels of society: this has been the Duterte Administration's battle cry from the moment it crafted its first Budget in 2017. Since then, landmark laws and legislations have been passed and enacted to positively change the life of every Filipino—the Universal Access to Quality Tertiary Education Act, Universal Health Care Law, Free Irrigation Service Act, and Bangsamoro Organic Law, to name a few.

The **Php5.024 Trillion** Proposed 2022 National Budget, the last under the current Administration, will prepare the way for the country's next leader to build on the achievements and progress achieved during the past five years. It will fund key programs and projects that will help guide the nation back on the path towards a *matatag, maginhawa, at panatag na buhay*, as well as sustain the legacy of real change for the benefit of the future generations.



Department of Public Works and Highways



Department of National Defense



Commission on Population and Development



Department of Health



Presidential Communications Operations Office



Design: Center of the Philippines

2022 Budget Philosophy

The proposed 2022 National Budget was crafted in pursuit of and will be guided in its implementation by the following pillars:

Building Resilience amidst the Pandemic

Safeguarding public health and reducing the severe impacts of the COVID-19 pandemic on vulnerable groups are critical for a strong recovery. This is why 38.3% of the proposed 2022 National Budget, or PhP1.922 trillion, has been allocated for social services to fund health-related programs and projects and provide cash subsidies for the hardest-hit sectors.

Continuing the Legacy of Infrastructure Development

Committed to fulfilling the promise of a “golden age of infrastructure” in the Philippines, the Administration continues to invest in the construction of vital infrastructure, such as roads and bridges, that will improve mobility and connectivity across the country and encourage foreign investments that will lead to the creation of more jobs for Filipinos.

For 2022, the *Build, Build, Build* Program will receive PhP1,180.5 billion or the equivalent of 5.3% of GDP. The bulk of the infrastructure budget, or PhP655.0 billion, will go to the Department of Public Works and Highways.



Barido: Sentral ng Pilipinas

Sustaining the Momentum towards Recovery

The Philippine economy grew by 11.8% in the second quarter of 2021, a huge leap from the -17% recorded in the same period last year.

To sustain this growth momentum, the government will ensure sufficient funds for programs and projects that will spur economic activity and strengthen the country's workforce. Also, the implementation of the Supreme Court (SC) Ruling on the Mandanas-Garcia Case starting 2022 is expected to have a positive impact on the economy.

With this policy shift, local government units (LGUs) will now receive their just share in the national taxes, which is equivalent to PhP959.0 billion in FY 2022. This is PhP263.5 billion, or 37.9%, higher than the FY 2021 shares of LGUs. More funds will enable LGUs to create more jobs and livelihood opportunities for the people, thus contributing more to economic recovery.

Please see pages 6 to 7 for more information on the SC Ruling on the Mandanas-Garcia Case.

Primer on the Supreme Court Ruling on the Mandanas-Garcia Case

Crucial in achieving good governance is the empowerment of local governments. As the national government's (NG) counterpart in the grassroots level, local government units (LGUs), as observed during the COVID-19 pandemic, are the most capable in performing timely assessments and implementing effective measures that will directly benefit the people.

The implementation of the landmark Supreme Court (SC) Ruling on the Mandanas-Garcia Case starting next year will provide the LGUs their just share from the national taxes, thus strengthening fiscal decentralization and upholding the local autonomy and responsibility of LGUs in the delivery of goods and services to the Filipinos.

What is the SC Ruling on the Mandanas-Garcia Case?

- The SC Ruling on the Mandanas-Garcia Case refers to the final decision of the SC on the petitions filed by former Batangas Congressman and now Governor Hermilando I. Mandanas and former Bataan Governor and Congressman Enrique Garcia, Jr. on how the NG should determine and compute the just share of LGUs in the national taxes.
- The SC ruled in favor of the petitioners that the "just share" from national taxes should be based not only on the national internal revenue taxes (NIRT) collected by the Bureau of Internal Revenue (BIR), but should include ALL national taxes, including the collections (customs duties) by the Bureau of Customs (BOC), and be henceforth referred to as the National Tax Allotment (NTA).
- With the implementation of the SC Ruling, the FY 2022 NTA shares of LGUs shall be PhP959.0 billion based on the certifications submitted to the Department of Budget and Management by the BIR, BOC, and Bureau of the Treasury on the actual collections of national taxes in FY 2019. This is PhP263.5 billion, or 37.9% higher, than the FY 2021 shares of LGUs.
- Thus, with the increase in the just share of LGUs in the national taxes, it is expected that they will now be primarily responsible in the delivery of devolved services as prescribed under Section 17 of the Local Government Code of 1991 (Republic Act No. 7160) and other pertinent laws.
- To smoothly implement the full devolution measure, Executive Order (EO) No. 138 directing the full devolution of certain functions of the Executive Branch to the LGUs was issued on June 1, 2021.
- EO No. 138 directs the preparation of Devolution Transition Plans both by the National Government Agencies and LGUs that would facilitate the devolution of relevant functions from FYs 2022 to 2024.
- In addition, said EO established the Growth Equity Fund, which shall serve as financial assistance to the identified poor, disadvantaged, and lagging LGUs for the implementation of their identified priority projects to gradually enable the full and efficient implementation of the functions and services devolved to the local government.

Key Changes

Name

Internal Revenue
Allotment (IRA)



National Tax
Allotment (NTA)

Share in Taxes

40% share of taxes
collected by the BIR



40% share of ALL taxes
collected by the BIR,
BOC, and other agencies

Benefits of this SC Ruling

Department of the Interior and Local Government



Promotes fiscal decentralization

With 40% of all national taxes collected by the BIR, BOC, and other agencies to be allotted for LGUs, more funds will be available at the local levels.

Pasig City Government



More accountability

Local governments will now have more fiscal resources to provide improved services and to foster participatory, accountable, responsive, and transparent local governance.

Quezon City Government



Improved delivery of services

With the increase in the shares of LGUs, the public can benefit more from better services from their local governments.

Municipality of Baliuag, Bulacan



Increased economic participation

Jobs and livelihood opportunities will be further expanded at the grassroots level, giving LGUs more opportunities to contribute to the country's economic growth.

Department of Agriculture



Better partnership between the NG and LGUs

As LGUs gradually fully assume more devolved functions, the NG will continue to work closely with local governments to achieve the goal of building a society where no one is left behind.

Always be informed on where your taxes go.

For more information on how this SC Ruling will affect you and your community, please visit the official websites and social media pages of the following government agencies:

- Department of Budget and Management (DBM)
- Department of the Interior and Local Government (DILG)
- Presidential Communications Operations Office (PCOO)
- League of Provinces of the Philippines (LPP)
- League of Cities of the Philippines (LCP)
- League of Municipalities of the Philippines (LMP)

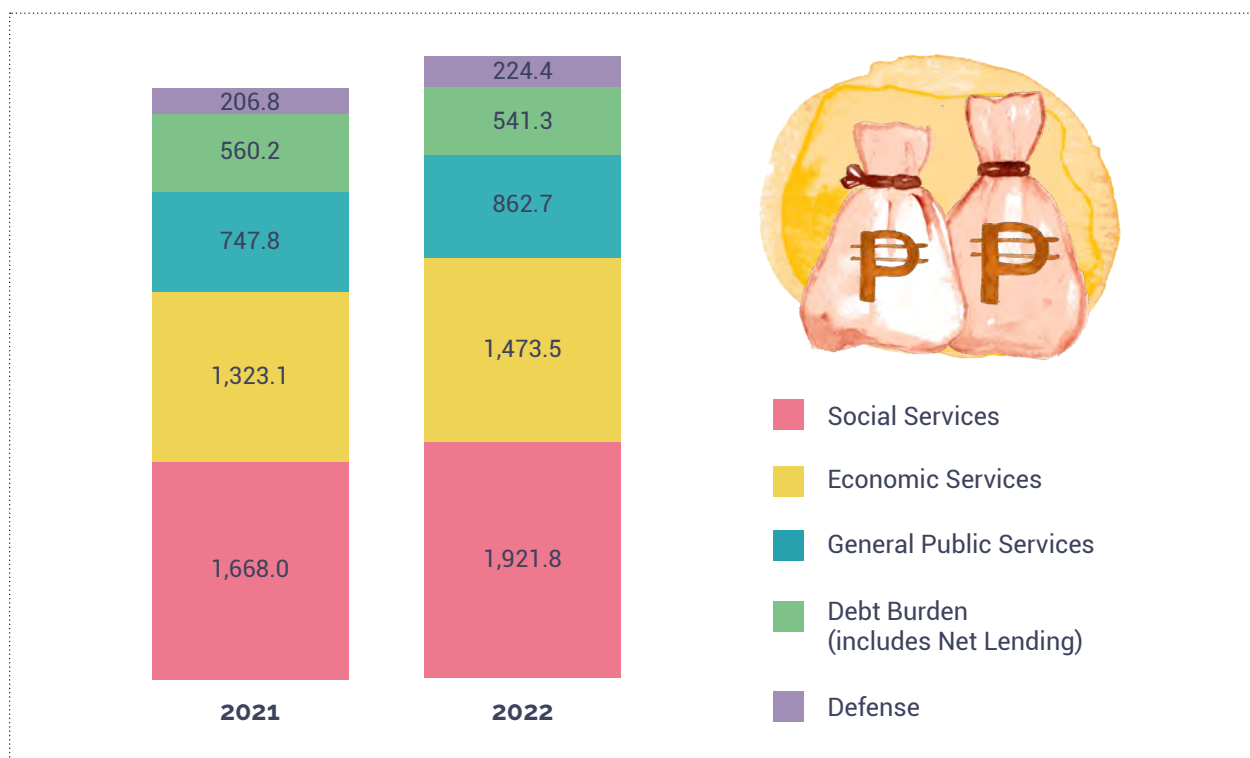


2022 Budget Dimensions

By Sector (Traditional System)

To support the government's COVID-19 response and recovery agenda and other crucial expenditures, the proposed 2022 National Budget invests heavily in the Social and Economic Services sectors. Health, social welfare, and infrastructure development continue to be prioritized in order to manage the risks of the outbreak and boost economic growth.

Budget by Sector, 2021-2022 (in billion Pesos)



Note: Figures may not add up due to rounding off.

- Social Services** will get 38.3% of the proposed 2022 National Budget with PhP1.922 trillion, 15.2% more than in 2021. The amount is earmarked for programs on health system improvement, education, social protection, and employment assistance, among others.
- Economic Services** will receive 29.3% of the proposed National Budget, or PhP1.474 trillion, an increase of 11.4% over its 2021 allocation. It will primarily fund efforts to revitalize the economy, such as the *Build, Build, Build* Program and agricultural development.
- General Public Services** will receive PhP862.7 billion to ensure public order and safety, as well as the efficient management of government funds, among others.
- Debt Burden** will be allocated PhP541.3 billion to cover interest payments for domestic and foreign debts, and net lending assistance.
- Defense** will get PhP224.4 billion to safeguard national security amid the pandemic.



Department of Education



Department of Public Works and Highways



Commission on Higher Education



Department of Agriculture



Philippine National Police

Key Items Under Each Sector

Social Services

PhP1.922 T

Of which:

Education, Culture, and Manpower Development	PhP803.0 B
Subsidy to Local Government Units (LGUs)	PhP380.7 B
Social Security, Welfare, and Employment	PhP475.9 B
Health	PhP252.4 B

Economic Services

PhP1.474 T

Of which:

Communications, Roads, and Other Transport	PhP771.8 B
Subsidy to LGUs	PhP360.1 B
Agriculture and Agrarian Reform	PhP152.1 B
Water Resources Development and Flood Control	PhP90.0 B

General Public Services

PhP862.7 B

Of which:

Public Order and Safety	PhP321.0 B
Subsidy to LGUs	PhP288.1 B
General Administration	PhP190.5 B

Debt Burden

PhP541.3 B

Debt Service-Interest Payments	PhP512.6 B
Net Lending	PhP28.7 B

Defense

PhP224.4 B

Domestic Security	PhP224.4 B
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2022 Budget Dimensions

By Sector (COFOG)

The government also presents the National Budget through the Classification of the Functions of Government (COFOG) System. The COFOG System classifies all expenditures into 10 major sectors: General Public Services; Economic Affairs; Public Order and Safety; Defense; Environmental Protection; Education; Social Protection; Health; Housing and Community Amenities; and Recreation, Culture, and Religion.

What is COFOG?

- A classification system developed by the Organisation for Economic Co-operation and Development that categorizes expenditures based on their functions, regardless of the implementing agency
- A more accurate way of monitoring where the National Budget goes

Sectors that Benefit Society as a Whole

General Public Services

PhP2,211.3 B (44.0%)

PhP1,031.9 B: Executive and legislative organs, financial and fiscal affairs, external affairs

PhP527.1 B: Public debt transactions

PhP520.7 B: General services

Economic Affairs

PhP756.3 B (15.1%)

PhP591.2 B: Transport

PhP121.5 B: Agriculture, forestry, fishing, and hunting

PhP14.1 B: General economic, commercial, and labor affairs

Public Order and Safety

PhP268.9 B (5.4%)

PhP176.0 B: Police services

PhP33.2 B: Law courts

PhP23.7 B: Fire protection services

Defense

PhP201.8 B (4.0%)

PhP200.2 B: Military defense

PhP1.5 B: Civil defense

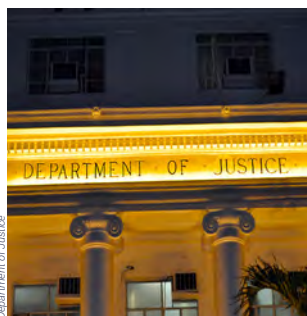
Environmental Protection

PhP24.4 B (0.5%)

PhP10.4 B: Protection of biodiversity and landscape

PhP3.9 B: Waste management

PhP2.8 B: Pollution abatement



Department of Justice



Department of Agriculture



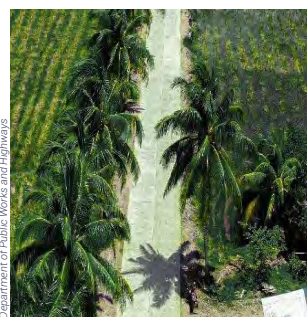
Department of Agriculture



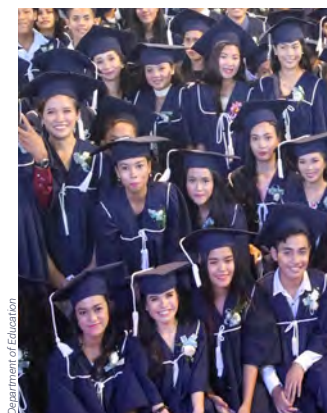
Philippine National Police



Philippine National Police



Department of Public Works and Highways



Department of Education



Department of Social Welfare and Development



National Housing Authority



Department of Trade and Industry

Sectors that Directly Benefit Individuals

Education

PhP774.4 B (15.4%)

PhP292.8 B: Pre-primary and primary education

PhP248.2 B: Secondary education

PhP114.1 B: Tertiary education

Social Protection

PhP509.2 B (10.1%)

PhP115.7 B: *Pantawid Pamilya* Program

PhP76.1 B: Survivors (Gender and Development, Internally Displaced Persons, and Relief Assistance)

PhP23.7 B: Old age (Senior citizens)

Health

PhP248.4 B (4.9%)

PhP80.0 B: Health insurance

PhP70.7 B: Public health services

PhP67.8 B: Hospital services

Housing and Community Amenities

PhP25.6 B (0.5%)

PhP21.6 B: Water supply

PhP2.1 B: Community development

PhP1.5 B: Housing development

Recreation, Culture, and Religion

PhP3.3 B (0.1%)

PhP1.5 B: Cultural services

PhP647 M: Broadcasting and publishing services

PhP571 M: Recreational and sporting services

2022 Budget Dimensions

By Expense Class

The proposed 2022 National Budget may be classified into four major expenditure classes, namely: Maintenance and Other Operating Expenses (MOOE), Personnel Services (PS), Capital Outlays (CO), and Financial Expenses (FinEx).

Maintenance and Other Operating Expenses

2022: PhP2,072.6 B

2021: PhP1,744.9 B

2020: PhP1,633.5 B

- Day-to-day operations of national government agencies, covering expenses for basic utilities and maintenance, among others
- Funding for government programs and services, such as the *Pantawid Pamilyang Pilipino* Program, National Health Insurance Program, and Universal Access to Quality Tertiary Education, among others
- Subsidies to Government-Owned and/or -Controlled Corporations
- Allotment to local government units (LGUs)^{1/}



^{1/}Inclusive of National Tax Allotment (formerly Internal Revenue Allotment), Special Shares in the Proceeds of National Taxes, Local Government Support Fund, Special Shares in the Proceeds of Fire Code Fees, Barangay Officials Death Benefits, Allocation for the Metropolitan Manila Development Authority, and Bangsamoro Autonomous Region in Muslim Mindanao

Personnel Services

2022: PhP1,456.1 B

2021: PhP1,299.6 B

2020: PhP1,184.8 B

- Salaries and other compensation of civil servants
- Implementation of the third tranche of the Salary Standardization Law V
- Hiring of additional health care workers and teaching/non-teaching personnel under the Department of Health and Department of Education, respectively
- Pensions of military and uniformed personnel



Capital Outlays

2022: PhP981.1 B

2021: PhP928.8 B

2020: PhP829.4 B

- Infrastructure programs and projects of various national government agencies, such as the Department of Public Works and Highways and the Department of Transportation, among others
- Purchase of goods and services that add to the assets of the National Government



Financial Expenses

2022: PhP513.8 B

2021: PhP532.7 B

2020: PhP452.4 B

- Management supervision/trusteeship fees, interest expenses, guarantee fees, bank charges, commitment fees, and other financial charges incurred when owning or borrowing an asset or property
- Interest payments on domestic and foreign debts



Budget by Expense Class, 2020-2022 (in billion Pesos)

Particulars	2020	2021	2022
MOOE	1,633.5	1,744.9	2,072.6
PS	1,184.8	1,299.6	1,456.1
CO (includes Net Lending)	829.4	928.8	981.1
FinEx	452.4	532.7	513.8
Total	4,100.0	4,506.0	5,023.6

Note: Figures may not add up due to rounding off.

2022 Budget Dimensions

By Recipient Unit

National government agencies (NGAs) will receive the largest share of the proposed 2022 National Budget, amounting to 63.5% or PhP3.188 trillion, for the continued implementation of priority programs on health, education, infrastructure, and social protection, among others.

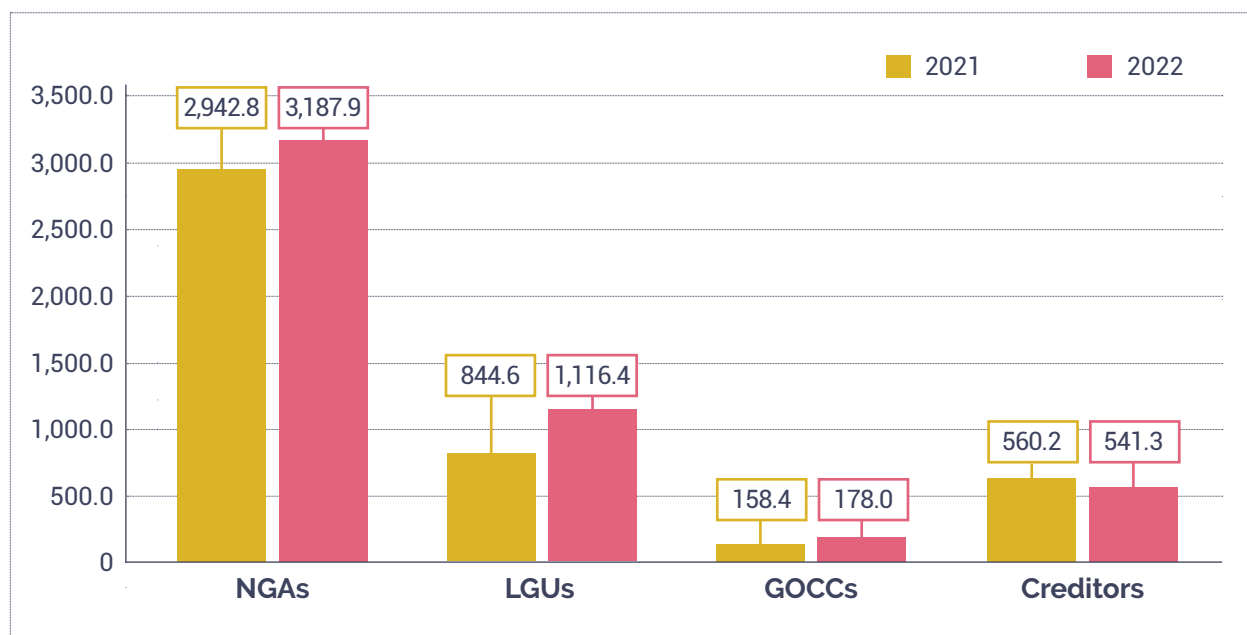


Local government units (LGUs) will be supported with an increased budget of PhP1.116 trillion, equivalent to 22.2% of the proposed 2022 National Budget. The largest component of this is the PhP959.0 billion National Tax Allotment (NTA), which refers to the LGUs' just share in all national taxes pursuant to the Supreme Court ruling on the Mandanas-Garcia case. The NTA will support the LGUs in fulfilling the devolved functions and services pursuant to Section 17 of the Local Government Code of 1991 and other pertinent laws.

Subsidy to government-owned and/or -controlled corporations (GOCCs) will amount to PhP178.0 billion, while loan repayments to creditors will reach PhP541.3 billion in 2022, inclusive of interest payments and net lending assistance to GOCCs.

Budget by Recipient Unit, 2021-2022

(in billion Pesos)



Note: Figures may not add up due to rounding off.



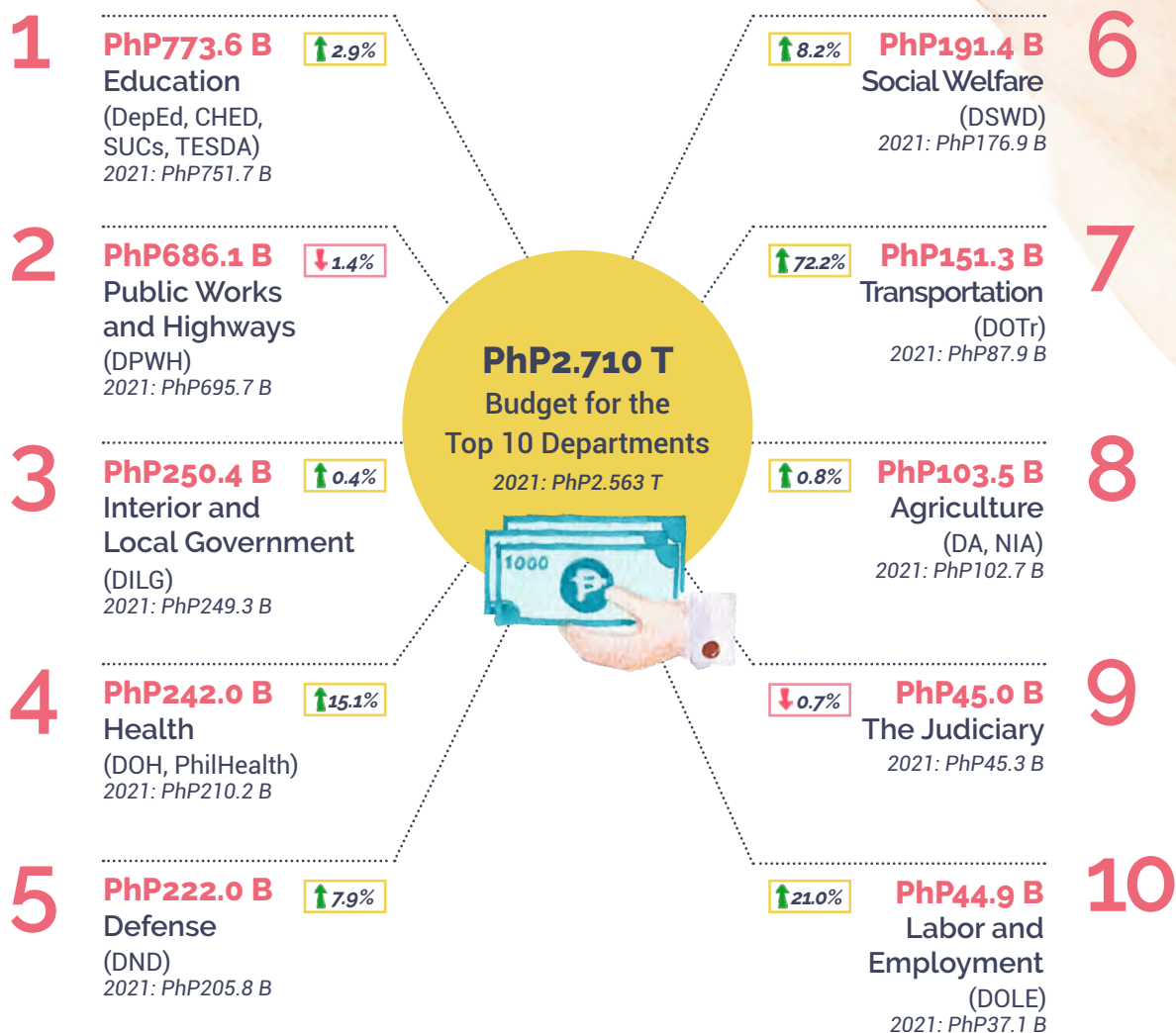
Research Institute for Tropical Medicine



Department of Transportation

Top 10 Departments

The total allocation for the top 10 departments/recipients amounts to PhP2.710 trillion, or 53.9% of the proposed 2022 National Budget. Among these, the Transportation, Labor and Employment, and Health departments will receive the largest increases over their previous year's budgets.



2022 Budget Dimensions

By Region

To ensure the fair distribution of resources and foster inclusive growth across all regions, PhP3,195.8 billion, or 63.6% of the proposed 2022 National Budget, will be earmarked for development in both urban and rural communities.

Proposed Regionalized Budget



City Government of Vigan

Luzon

PhP1,055.1 B

Per Capita: PhP21,197

CAR

PhP71.7 B

Per Capita: PhP39,012

Region II

PhP114.1 B

Per Capita: PhP30,615

Region IV-A

PhP249.3 B

Per Capita: PhP15,237

Region V

PhP162.4 B

Per Capita: PhP25,988

Region I

PhP126.8 B

Per Capita: PhP23,685

Region III

PhP235.5 B

Per Capita: PhP18,534

MIMAROPA

PhP95.4 B

Per Capita: PhP29,668



Provincial Government of Bohol

Visayas

PhP487.1 B

Per Capita: PhP23,145

Region VI

PhP175.0 B

Per Capita: PhP21,790

Region VII

PhP167.2 B

Per Capita: PhP20,518

Region VIII

PhP144.9 B

Per Capita: PhP29,776

Notes:

- Figures may not add up due to rounding off.
- Per capita allocations are based on the projected mid-year population of the Philippine Statistics Authority (as of July 1, 2022)

National Capital Region

PhP997.2 B
Per Capita: PhP70,630



Department of Environment and Natural Resources-Environmental Management Bureau Region XIII



Mindanao

PhP656.5 B
Per Capita: PhP24,648

Region IX

PhP100.6 B
Per Capita: PhP26,239

Region XI

PhP116.1 B
Per Capita: PhP21,298

CARAGA

PhP83.5 B
Per Capita: PhP29,726

Region X

PhP125.1 B
Per Capita: PhP24,398

Region XII

PhP98.3 B
Per Capita: PhP19,469

ARMM

PhP132.8 B
Per Capita: PhP30,458

Non-Regionalized Budget



Nationwide Allocations^{1/}

2022: PhP1,584.1 B
2021: PhP996.6 B

Nationwide Allocations consist of special purpose funds and lump sums that will be distributed to various regions during the budget year.

Central Office Allocations

2022: PhP243.7 B
2021: PhP397.0 B

Central Office Allocations represent the allocations managed by the head office of departments/agencies for their respective units.

^{1/}These include the Allocation to Local Government Units (ALGUs), National Disaster Risk Reduction and Management Fund, Pension and Gratuity Fund, and Debt Service Fund.

2022 Budget Dimensions

By Special Purpose Fund

For 2022, Special Purpose Funds (SPFs) will amount to PhP2.154 trillion, 20.1% higher than the PhP1.793 trillion in 2021. SPFs are budgetary allocations for particular socioeconomic purposes that are lump sum in nature and may only be distributed to recipient agencies when the specific programs and projects to be funded have been identified during budget execution.

PhP1,593.6 B

Disaggregated SPFs

These are funds that are already broken down and allocated for specific agencies, programs, and projects.

PhP1,115.7 B

Allocations to Local Government Units (LGUs)^{1/}

Share of LGUs in the national revenue collection that are given in the form of subsidies

PhP959.0 B	National Tax Allotment
PhP74.8 B	Bangsamoro Autonomous Region in Muslim Mindanao
PhP51.2 B	Local Government Support Fund
PhP26.3 B	Special Shares in the Proceeds of National Taxes
PhP4.5 B	Metropolitan Manila Development Authority

PhP232.9 B

Pension and Gratuity Fund

Payment for civil servants' pension, retirement and terminal leave benefits, separation pay, and monetized leave credits

PhP206.7 B

Budgetary Support to Government Corporations

Financial assistance to government corporations in the form of equities and/or subsidies, including net lending

PhP38.2 B

Miscellaneous Personnel Benefits Fund

Personnel-related expenditures, such as funds for the creation of new positions, filling of authorized positions, and various benefits of government personnel, among others

Disaggregated SPFs, 2021-2022

(in billion Pesos)

Particulars	2021	2022	% Increase/ (Decrease)
Allocations to LGUs ^{1/}	844.1	1,115.7	32.2
Budgetary Support to Government Corporations	187.1	206.7	10.5
Pension and Gratuity Fund	152.9	232.9	52.3
Miscellaneous Personnel Benefits Fund	29.3	38.2	30.4

^{1/}Excludes the Special Shares in the Proceeds from Fire Code Fees and the Barangay Officials Death Benefits Fund under the Lump Sum SPFs



PhP560.8 B Lump Sum SPFs

These are funds that are not yet disaggregated and/or can only be implemented when certain conditions are met.

PhP20.0 B National Disaster Risk Reduction and Management Fund (NDRRMF)

Emergency funds to be used for aid, relief, repair, and rehabilitation of communities and areas affected by natural and human-induced disasters

PhP14.5 B Tax Expenditure Fund

Tax and customs obligations of agencies, LGUs, and government corporations

PhP13.0 B Contingent Fund

Standby funds for urgent and/or new projects and activities of government agencies and corporations that must be implemented or paid for during the fiscal year

PhP679 M Allocations to Local Government Units

PhP629 M Special Shares in the
Proceeds from Fire Code Fees

PhP50 M Barangay Officials Death Benefits

PhP512.6 B Debt Interest Payments

Payment for costs incurred from domestic and foreign borrowings

Note: Figures may not add up due to rounding off.

Lump Sum SPFs, 2021-2022 (in billion Pesos)

Particulars	2021	2022	% Increase/ (Decrease)
NDRRMF	20.0	20.0	-
Tax Expenditure Fund	14.5	14.5	-
Contingent Fund	13.0	13.0	-
Debt Interest Payments	531.5	512.6	(3.6)
Allocations to LGUs	0.5	0.7	40

2022 Budget Dimensions

By Appropriation Source

For 2022, New General Appropriations will total PhP3.351 trillion, comprising 66.7% of the proposed 2022 National Budget and higher by 8.5% than its 2021 level of PhP3.087 trillion. The bulk of this amount is allotted for national government agencies. On the other hand, Automatic Appropriations will reach PhP1.673 trillion, or 33.3% of the proposed National Budget, an increase of 17.9% from its previous year's allocation of PhP1.419 trillion.

New General Appropriations PhP3,350.7 B

Refers to the portion of the proposed National Budget that is submitted to the Congress annually for approval and legislation

- Departments/Agencies PhP2,798.4 B
- Special Purpose Funds PhP552.3 B

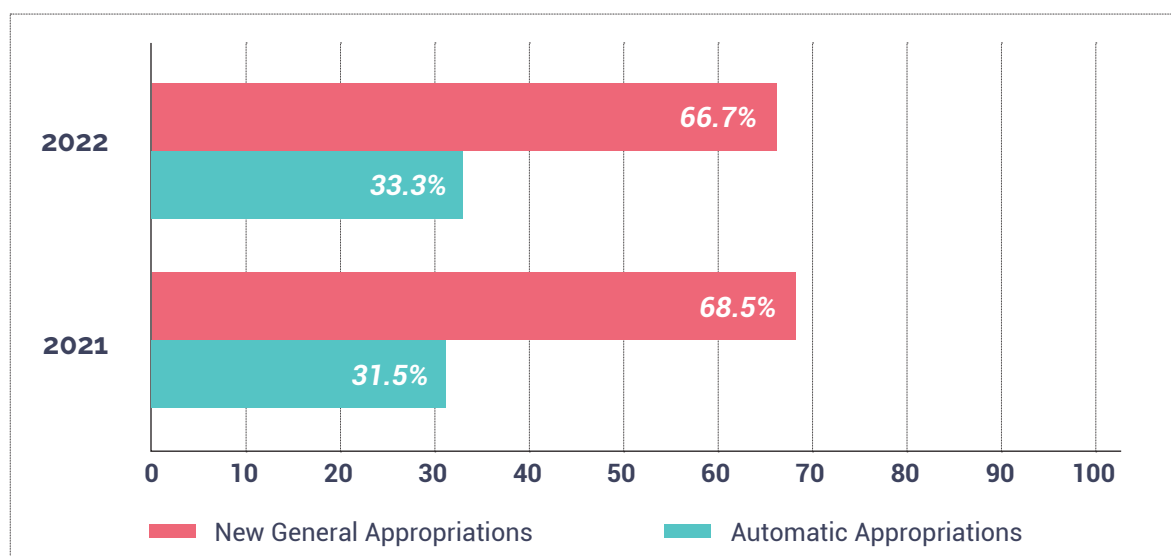
Automatic Appropriations PhP 1,672.9 B

Refers to funds that do not require periodic action by the Congress and are already programmed annually through enabling laws, and thus need not be included in the legislation of the proposed National Budget

- National Tax Allotment PhP959.0 B
- Debt Service - Interest Payment PhP512.6 B
- Bangsamoro Block Grant PhP67.0 B
- Others^{1/} PhP134.3 B

Note: Figures may not add up due to rounding off.

Percentage Share of the National Budget, 2021-2022



^{1/} Retirement and Life Insurance Premiums (PhP60.0 B); Net Lending (PhP28.7 B); Special Account in the General Fund (PhP31.1 B); Tax Expenditure Fund (PhP14.5 B); and Pension of Ex-Presidents and their Spouses (PhP0.480 M)



Unprogrammed Appropriations PhP151.6 B

Pertains to standby or additional funds that are available for the use of agencies when additional revenues (e.g., excess revenues from non-tax sources and new revenue collections) are collected and when grants or foreign loans are secured

Major Items under the 2022 Unprogrammed Appropriations

PhP45.4 B

Procurement of COVID-19 Vaccine
Booster Shots

PhP27.7 B

Support for Infrastructure Projects
and Social Programs

PhP25.0 B

Budgetary Support to Government-
Owned and/or -Controlled Corporations

PhP20.2 B^{2/}

Support to Foreign-Assisted Projects

Subic Clark Railway Project	PhP11.3 B
Safe Philippines Project (Phase 1)	PhP4.5 B
Solar-Powered Fertigation	PhP2.3 B
System Project	
Support to Parcelization of Lands for Individual Titling (SPLIT) Project	PhP2.0 B

^{2/} Figures may not add up due to rounding off.



Spending Priorities

Government programs, activities, and projects (PAPs) that are envisioned and will continue to uplift the lives of the present and future generations of Filipinos will be sustained and further supported by the proposed 2022 National Budget. This section highlights PAPs that aim to promote inequality-reducing transformation (pp. 24-39), enhance the social fabric (pp. 40-41), increase the country's growth potential (pp. 42-45), and fortify the foundations for sustainable development (pp. 46-53).

Health

As the Philippines continues to battle against the COVID-19 pandemic, the government responds by prioritizing the people's health and building resilience while pursuing economic recovery. For 2022, the proposed budget for the Health sector is PhP252.4 billion, signifying the Administration's intent to not only address the current health crisis, but also to restore social and economic stability that will enable the country to achieve its long-term goal of improving the lives of Filipinos.

Fortifying the National Health Care System

PhP80.0 B

National Health Insurance Program

To provide affordable and accessible health insurance for all Filipinos, in line with the Universal Health Care (UHC) Law

Target beneficiaries include:

- **13.2 million** indigent families identified under the National Household Targeting System
- **7.3 million** senior citizens, pursuant to Republic Act No. 10645 or the Expanded Senior Citizens Act of 2010

PhP53.0 B

Health Facilities Operations Program

To fund the operations of the Department of Health (DOH)-administered hospitals and other health care facilities, especially for the provision of food, drugs and medicines, medical supplies, and other necessary equipment

PhP30.0 B

Purchase and Allocation of Drugs, Medicines, and Vaccines

To ensure the smooth procurement and distribution of medicines, vaccines, medical drugs, and medical and dental supplies to government health care facilities





Photos from the Antimicrobial Resistance Surveillance Reference Laboratory of the DOH

PhP19.6 B

Health Facilities Enhancement Program

To construct, upgrade, expand, and procure equipment for health facilities and hospitals

- **PhP1.2 B**
Requirements for Newly Established Government Hospitals
To construct and equip newly established government hospitals

PhP17.0 B

Medical Assistance to Indigent Patients

To provide hospitalization and other health assistance to 1.8 million indigent patients

PhP17.0 B

Human Resources for Health (HRH) Deployment

To fund the salaries and other benefits of 26,035 personnel to be employed for the provision of promotive and curative services in areas where they are most needed

- **PhP721 M**
DOH Pre-Service Scholarship Program
To cover 2,763 pre-service scholarship grants

PhP3.8 B

COVID-19 HRH Emergency Hiring

To ensure the continuous emergency hiring of COVID-19 response personnel

PhP106 M

One Hospital Command Center

To formulate a comprehensive and coordinated pandemic response, provide health system capacity data analytics, and optimize critical care

Regional Allocation for the Health Facilities Operations Program (in Pesos)

Region	DOH Hospitals	Dangerous Drugs Abuse Treatment and Rehabilitation Centers	Blood Centers and National Voluntary Blood Services	National Research Laboratories
CAR	2,387,730,000	4,428,000	-	-
I	2,809,075,000	111,453,000	3,868,000	-
II	2,787,140,000	62,460,000	1,000,000	-
III	3,952,224,000	141,783,000	7,109,000	-
NCR	15,843,720,000	312,084,000	457,563,000	300,603,000
IV-A	1,425,309,000	108,635,000	-	-
MIMAROPA	498,588,000	-	-	-
V	2,275,227,000	143,133,000	5,182,000	-
VI	2,222,441,000	67,649,000	-	-
VII	4,001,978,000	143,487,000	9,724,000	-
VIII	1,217,871,000	73,157,000	1,866,000	-
IX	2,368,956,000	8,409,000	5,535,000	-
X	2,749,641,000	94,796,000	1,865,000	-
XI	4,457,755,000	13,041,000	10,692,000	-
XII	1,088,173,000	13,042,000	1,866,000	-
CARAGA	745,379,000	83,414,000	-	-
TOTAL	50,831,207,000	1,380,971,000	506,270,000	300,603,000

Strengthening Health Technology and Research and Development (R&D)

PhP983 M

Establishment of the Virology Science and Technology Institute of the Philippines (VIP)

To establish the country's premier virology facility, including the procurement of equipment and other R&D materials

PhP619 M

Health Information Technology

To fund the capacity building and information and communications technology operating requirements and equipment in support of the implementation of the UHC Law and the DOH's COVID-19 response activities

PhP140 M

Philippine Genomic Information and Resource Hub (PGIRH)

To strengthen the capacity of the UP Philippine Genome Center to conduct genomic biosurveillance and immune-biosurveillance of COVID-19 variants

Preventing Disease and Improving Well-Being

PhP45.4 B

Procurement of COVID-19 Vaccine Booster Shots

To ensure procurement of 94 million COVID-19 booster shots for fully vaccinated Filipinos. This budget is lodged under the Unprogrammed Appropriations.

PhP8.2 B

Prevention and Control of Communicable Diseases

To curb and prevent the spread of infectious diseases among Filipinos

- **PhP7.0 B**

Provision for Communicable Diseases Commodities

To ensure the steady supply of medical commodities for leprosy, filariasis, malaria, dengue, tuberculosis, and other communicable diseases, as well as requirements for Rabies Control Program

- **PhP819 M**

Provision for Personal Protective Equipment (PPE)

To cover the procurement of 758,700 sets of PPEs for distribution to health facilities, laboratories, and isolation units, among others

- **PhP297 M**

Provision for RT-PCR cartridges

To fund the procurement of RT-PCR cartridges and other laboratory supplies

PhP5.1 B

COVID-19 Laboratory Network Commodities

To fund the procurement of GeneXpert cartridges and other laboratory supplies

PhP1.4 B

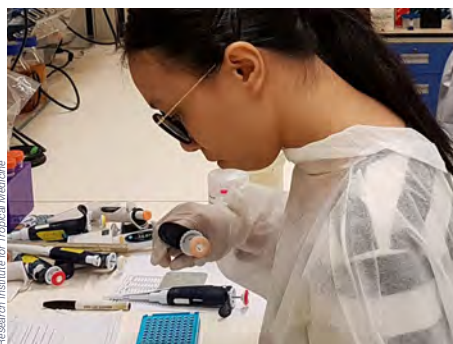
Prevention and Control of Non-Communicable Diseases

To fund programs and projects that seek to prevent and treat chronic diseases, such as hypertension, diabetes, cancer, and mental illness

PhP113 M

Provision for COVID-19 Surveillance

To facilitate disease surveillance and monitoring of COVID-19 and other respiratory infections



For details of programs and projects on nourishment and sustenance, please see the Nutrition section on pages 28 to 31.

Nutrition

With the pandemic resulting in increased consumer food prices and unemployment rates, more Filipinos have been experiencing hunger and malnutrition. To address this growing concern and ensure a healthy and productive workforce that will continue to drive economic growth, the Duterte Administration puts a premium on nutrition and food security in 2022.



Department of Agriculture

Ensuring Good Nutrition

The proposed 2022 National Budget seeks to provide affordable and nourishing food for all, especially for nutritionally at-risk children and mothers.

PhP4.2 B Supplementary Feeding Program

To provide meals and milk for 1.94 million children ages two (2) to five (5) years who are not formally enrolled in kindergarten schools

PhP3.3 B School-based Feeding Program

To provide 1.72 million severely wasted and wasted learners with nutritious food products and fresh milk in order to improve their nutritional condition

PhP250 M Complementary Feeding Program

To purchase therapeutic milk and protein-enriched meals in order to supplement the diets and improve the nutrition of 13,755 children ages six (6) to 23 months and lactating mothers

PhP139 M Early Childhood Care and Development in the First 1,000 Days Program

To support local government units in providing additional sustenance to 19,290 nutritionally at-risk pregnant women living in 5th to 6th class municipalities



Feeding the Next Generations

Throughout the Duterte Administration's term, landmark laws and measures have been implemented to improve the nutrition of Filipinos, achieve food security, and ultimately end hunger in the country.

Philippine Plan of Action for Nutrition 2017-2022

Provided a framework for nationwide nutritional improvement consisting of nutrition-specific and nutrition-sensitive programs

Republic Act (RA) No. 11037 or the *Masustansyang Pagkain para sa Batang Pilipino Law*

Established the National Feeding Program to address malnutrition among children

RA No. 11148 or the *First 1,000 Days Law*

Provides government support for health and nutrition services focused on the first 1,000 days of child development

RA No. 11203 or the *Rice Tariffication Law*

Lifted the quantitative restrictions on rice imports to lower the price of rice and make the rice sector more competitive

Enhanced Partnership against Hunger and Poverty Program

Converged various government services that specifically address hunger and poverty, and promote sustainable growth

Executive Order No. 101, s. 2020

Directed the creation of a Zero Hunger Task Force to formulate a national food policy and ensure a coordinated approach in attaining zero hunger

Strengthening the Country's Food Production System

Comprehensive food production systems adequately provide for the people's nutritional needs while also contributing to economic growth. Since agriculture is the backbone of the Philippines' food production system, PhP152.1 billion of the proposed 2022 National Budget is earmarked for agriculture and agrarian development in 2022.

The Department of Agriculture (DA) will receive PhP72.0 billion to ensure continued food production and assist farmers and fisherfolk, while the Department of Agrarian Reform will get PhP12.8 billion to distribute land to landless tillers.



All photos are from the Department of Agriculture





PhP28.2 B

Banner Programs and Projects of the DA

Of which:

National Rice Program	PhP15.7 B
National Livestock Program ^{1/}	PhP5.1 B
National Fisheries Program	PhP3.4 B
National Corn Program	PhP1.5 B
National High Value Crops Development Program	PhP1.5 B
National Organic Agriculture Program	PhP519 M
Intensified Community-based Dairy Enterprise Development Project	PhP477 M

PhP22.9 B

Irrigation Services

To irrigate 24,089.45 hectares of farmland year-round through the national and communaal irrigation systems managed by the National Irrigation Administration (PhP21.8 billion) and small-scale irrigation projects of the DA (PhP1.1 billion)

PhP10.0 B

Rice Competitiveness Enhancement Program

To enhance the rice sector's productivity through mechanization, distribution of high-yielding rice seeds, and provision of credit support and capacity building programs for small rice farmers

PhP7.0 B

Buffer Stocking Program

To procure 368,421 metric tons of *palay* and assure sufficient rice supply during emergencies and crises

PhP4.5 B

Crop Insurance Program

To provide full insurance premiums to 2.3 million subsistence farmers and protect them from crop losses due to natural disasters and plant infestations

PhP4.2 B

Fisheries Infrastructure Development Program

To construct, upgrade, and operate various fish ports and post-harvest facilities nationwide

PhP2.7 B

Land Acquisition and Distribution

To distribute 42,743 hectares of agricultural lands to 34,965 agrarian reform beneficiaries through the Comprehensive Agrarian Reform Program

PhP2.5 B

Credit Support Services

To improve credit access for 21,550 small farmers and fisherfolk and 130 micro and small enterprises

^{1/}Includes the PhP4.1 billion for the implementation of the Swine Recovery and Repopulation Program in areas affected by the African swine fever outbreak

Education

As the pandemic shows no immediate signs of slowing down, it will continue to seriously threaten and affect the country's education system. In response to this, the government has allotted PhP773.6 billion to the Education sector for the implementation of adaptive measures that will help mitigate the adverse impacts of the current health emergency on student learning.



Supporting Basic Education

For 2022, the Department of Education (DepEd) will be given PhP630.8 billion to ensure that all Filipino youths will continue to receive quality basic education even with the shifts in the educational landscape.

PhP28.4 B Government Assistance and Subsidies

To offer financial aid to 2,623,005 junior and senior high school students under the Education Service Contracting Program for Private Junior High School, Voucher Program for Senior High School, and Joint Delivery Voucher Program

PhP20.1 B Human Resource for Education

To create additional 10,000 new teaching positions and fill existing teaching positions

PhP15.1 B Self-Learning Modules

To develop, reproduce, and deliver 845,962,644 learning modules and other instructional materials to 19,925,036 students

PhP11.6 B DepEd Computerization Program

To procure and distribute 108,177 multimedia packages for public schools

PhP5.4 B Basic Education Facilities

To construct 1,168 classrooms, rehabilitate 2,458 classrooms, and procure 9,536 school seats, among others

PhP3.3 B School-Based Feeding Program

To continue providing nutritious meals and milk to 1,723,808 severely wasted and wasted learners

Expanding Opportunities through Quality Tertiary and Technical-Vocational Education

Admst the pandemic, the government will continue to provide equitable, accessible, and quality higher education and technical-vocational education and training through the sustained implementation of the Universal Access to Quality Tertiary Education Law and other programs and projects in these sectors.

Higher Education

PhP28.1 B Tertiary Education Subsidy

To provide grants-in-aid for 832,918 students, including 379,062 grantees of the *Tulong Dunong* Program, enrolled in State Universities and Colleges (SUCs), Commission on Higher Education (CHED)-recognized Local Universities and Colleges (LUCs), and private higher education institutions with authorized programs and are subject to prioritization

PhP18.7 B Free Higher Education

To cover the tuition and other school fees for 1,337,171 students in SUCs and CHED-recognized LUCs

PhP1.5 B Student Financial Assistance Programs

To provide scholarships and grants-in-aid programs for 32,174 student beneficiaries

Technical-Vocational Education and Training

PhP3.8 B Training for Work Scholarship Program

To offer specific courses in different subject areas, such as agri-fishery, agribusiness/agri-industry, and tourism, among others, to 155,546 enrollees

PhP2.1 B Special Training for Employment Program

To provide community-based trainings for approximately 84,623 beneficiaries

PhP1.0 B *Tulong Trabaho* Scholarship Program

To support the education of 19,691 qualified beneficiaries of selected training programs



Social Protection

Social welfare has always been among the Administration's top priorities. With the continuing national health crisis highlighting and further exposing the vulnerabilities of the poor, disadvantaged, and marginalized sectors of the population, the government has set the focus of the proposed 2022 National Budget on specifically addressing this concern. Thus, 10.14% of this, or PhP509.2 billion, will be earmarked to expand access to social protection programs and ensure that everyone, especially those in need, will be safeguarded from the harsh effects of the pandemic.

Protecting Every Filipino



Department of Social Welfare and Development

PhP115.7 B

Conditional Cash Transfer Program (*Pantawid Pamilyang Pilipino Program*)

To provide education and health grants, as well as rice subsidies, to 4.4 million families. It will benefit indigenous persons, families in need of social protection, and homeless street families, among others.

PhP80.0 B

National Health Insurance Program

To promote equal access to health care programs for all Filipinos, and to subsidize the health insurance premiums of 13.2 million indigent families and 7.3 million senior citizens



Department of Social Welfare and Development

PhP23.5 B

Social Pension for Indigent Senior Citizens

To fund the PhP500 monthly stipend of 3,835,066 million indigent senior citizens for their daily sustenance and medical needs

PhP18.0 B

Protective Services for Individuals and Families in Difficult Circumstances

To give food, medical, and educational assistance to 1,389,339 families and individuals in difficult situations, as well as to cover the construction, upgrading, and repair of day care and senior citizens care centers



Department of Social Welfare and Development



Department of Social Welfare and Development

PhP4.9 B

Sustainable Livelihood Program

To reduce inequality and create employment and livelihood opportunities for 153,684 household beneficiaries, particularly:

- 122,376 regular household beneficiaries;
- 15,733 former rebels and households in conflict-vulnerable areas;
- 4,500 households registered under the program on the post-disaster response in Marawi City; and
- 11,075 households registered under the Zero Hunger Convergence Program



Presidential Communications Operations Office

PhP2.7 B

Balik Probinsya, Bagong Pag-asa Program

To provide hope for a better future for all Filipinos by supporting activities and projects that will promote countryside development and ensure the equitable distribution of resources all over the country

PhP172 M

Social Welfare for Distressed Overseas Filipinos (OFs) and Trafficked Persons

To fund programs and projects that safeguard OFs from abuse, exploitation, trafficking, and violence overseas



Labor and Employment

Consistent with the government's COVID-19 response and recovery program, the proposed 2022 National Budget seeks to protect and empower workers and small businesses as it supports job-generating measures to revitalize the economy.

Strengthening Employment Safety Nets

To mitigate the impacts of COVID-19 on the country's workforce, the Department of Labor and Employment (DOLE) will receive PhP44.9 billion in 2022. This is 21.0% higher than the 2021 level of PhP37.1 billion.



Department of Labor and Employment



Presidential Communications Operations Office

PhP22.3 B Livelihood and Emergency Employment Program

To help displaced, disadvantaged, and unemployed workers, particularly those affected by the pandemic, find alternative employment and livelihood opportunities

PhP21.0 B *Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers and Government Internship Programs*

To provide emergency employment and internship opportunities for 1,719,856 beneficiaries

PhP810 M *DOLE Integrated Livelihood Program*

To provide grant assistance for livelihood and entrepreneurial ventures for 24,040 beneficiaries

PhP492 M *Adjustment Measures Program*

To aid displaced formal workers* and assist companies in restructuring their work policies



Overseas Workers Welfare Administration

PhP11.2 B Emergency Repatriation Program

To implement measures that aim to assist Overseas Filipino Workers (OFWs) who are forcibly repatriated in the event of conflicts, disasters, or pandemics

PhP53 M *Reintegration Services Program (DOLE-OWWA)*

To facilitate the productive return of OFWs to their families and communities

*Demand-driven

Developing Productive and Resilient Industries

For 2022, the Department of Trade and Industry (DTI) will receive PhP23.0 billion. A portion of this budget will be used to enhance the productivity and resilience of micro, small, and medium enterprises (MSMEs).



Department of Agriculture



Department of Trade and Industry



Department of Trade and Industry



Department of Trade and Industry

PhP3.4 B MSME Development Program

To support the growth and recovery of the MSME sector

PhP1.0 B *Pangkabuhayan sa Pagbangon at Ginawa Program*

To provide assistance packages to individuals and families affected by calamities such as fires, typhoons, and disease outbreaks

PhP825 M *Rural Agro-Enterprise Partnership for Inclusive Development Growth*

To benefit 25,000 rural farming households through various interventions that will help increase their income

PhP728 M *Establishment of Negosyo Centers and Other Projects Promoting MSMEs*

To assist 10,586 MSMEs through the maintenance of 1,266 *Negosyo* Centers (PhP558 million) and the implementation of the Shared Service Facilities (PhP78 million) and One Town, One Product: Next Generation (PhP92 million)

PhP203 M *Livelihood Seeding Program - Negosyo Serbisyo sa Barangay*

To provide 3,460 *barangays* with 15,460 livelihood kits, and 312,405 individuals in various *barangays* with information on livelihood opportunities and assistance

PhP1.5 B *Pondo sa Pagbabago at Pag-Asenso Program (P3)*

To provide affordable loans to 40,000 small business owners and help them address cash flow constraints and difficulties in operating their businesses

Housing

Decent and affordable shelter is essential for all Filipinos to lead comfortable and secure lives. To fulfill this objective, the proposed 2022 National Budget will sustain the government's efforts to provide homes equipped with basic utilities and extend housing assistance to poor families.

Expanding Access to Housing

PhP4.0 B

National Housing Authority

To implement the Comprehensive and Integrated Housing Program which seeks to:

- Construct 1,925 additional housing units for the resettlement of informal settler families (ISFs) affected by the clean-up of the Manila Bay area
- Provide families affected by calamities with permanent housing or financial assistance for rebuilding partially or totally damaged houses through the Housing Assistance Program for Calamity Victims or the Emergency Housing Assistance Program, respectively



National Housing Authority

PhP1.0 B

National Home Mortgage and Finance Corporation

To finance the Socialized Housing Loan Take-out of Receivables (SHeLTeR) Program which aims to:

- Assist 1,887 low-income families in 2021
- Purchase PhP1.0 billion worth of socialized housing loan receivables from socialized housing originators



Social Housing Finance Corporation

PhP899 M

Department of Human Settlements and Urban Development

To oversee the operations of key shelter agencies and achieve the following targets in 2022:

- 16.21% of families provided with secure tenure in available public housing
- 80% of cities and municipalities provided with capacities to develop public housing and human settlements
- 1,500 families provided with secure housing tenure through the issuance of Presidential Proclamations

PhP500 M

Social Housing Finance Corporation

- To ensure safe and flood-resilient housing solutions for 2,128 ISFs living in danger areas and along the waterways in Metro Manila through the High Density Housing Program
- To provide housing loans to legally organized associations of low-income groups nationwide under the Community Mortgage Program

Providing Household Access to Water and Energy



PhP1.6 B

Sitio Electrification Project

To provide electricity to 1,085 targeted *sitios*

PhP1.2 B

Missionary Electrification Program

To provide additional generating capacity of 39.83 megawatts for Small Power Utility Groups in 11 areas

PhP500 M

Total Electrification Program

To energize 10,000 households nationwide

PhP53 M

Renewable Energy Development

To develop and utilize renewable energy resources for improved access to clean and sustainable energy



PhP527 M

Water Supply and Sanitation Program

To increase the percentage of households in operational water districts with direct access to level III potable water supply and sanitation from a baseline of 37.39% in 2019 to 42.98% in 2022

PhP56 M

Water Resources Enforcement and Regulatory Program

To monitor and assess 4,112 water sources facilities



Governance

As a key factor in promoting economic stability, ease of doing business, and a peaceful society, good governance further builds the people's trust and confidence in the government. The proposed 2022 National Budget seeks to reflect this and thus aims to ensure responsive, accessible, modernized, and inclusive public service delivery. This will also promote efficiency, reduce corruption, and sustain economic development and stability regardless of any circumstances or challenges.

Modernizing Governance through Digitization

PhP6.4 B

Information and Communications Technology (ICT) Systems and *Infostructure* Development

To support the Department of Information and Communications Technology's National Broadband Plan, Free Internet Wi-Fi Access in Public Places, National Government Data Center, and National Government Portal, among others

PhP4.8 B

Philippine Identification (ID) System

To accelerate the rollout of the national ID system in order to facilitate the systematic distribution of assistance to low-income families and individuals affected by the pandemic

Building Confidence through Streamlined Government Services

PhP249 M

Anti-Red Tape Authority (ARTA)

To improve government services delivery through the institutionalization and implementation of effective and efficient policies and practices to reduce red tape and promote ease of doing business



PhP1.08 B

Digitizing the Tax System

To fund the existing ICT programs and projects of the Bureau of Internal Revenue and develop new ICT systems to improve revenue collection

PhP574 M

Community-Based Monitoring System

To assess the impacts of anti-poverty measures and macroeconomic reforms at the *barangay*, municipal, city and provincial levels, especially in the 5th and 6th income classes

Of which:

PhP117 M

Ease of Doing Business and Efficient Delivery of Government Services Program

To continue the improvement of public service through the Ease of Doing Business (EODB) Law and the monitoring and evaluation of agency compliance with the EODB Law, among others



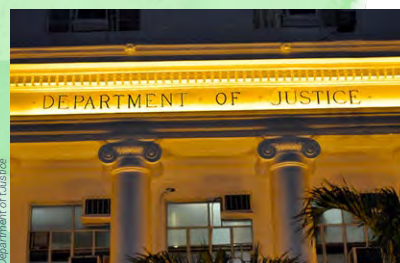
Anti-Red Tape Authority



Department of Justice



Supreme Court of the Philippines



Department of Justice



Bureau of Corrections

Ensuring Accessible Justice through Sustained Efficiency

PhP45.0 B The Judiciary

- PhP39.8 B** Operations of the Supreme Court and the Lower Courts
- PhP1.3 B** Construction, Completion, Repair, and Rehabilitation of Halls of Justice
- PhP1.1 B** Appellate Adjudication Program
- PhP452 M** Sandiganbayan Adjudication Program
- PhP194 M** Tax Appellate Adjudication Program
- PhP19 M** Justice Sector Convergence Program

PhP4.0 B The Ombudsman

- PhP697 M** Anti-Corruption Investigation Program
- PhP538 M** Anti-Corruption Enforcement Program
- PhP102 M** Corruption Prevention Program

PhP26.3 B Department of Justice (DOJ)

- PhP6.6 B** Law Enforcement Program
- PhP4.5 B** Free Legal Services to Indigents and Other Qualified Persons (Public Attorney's Office)
- PhP3.9 B** Custody and Safekeeping of Prisoners (Bureau of Corrections)
- PhP1.3 B** Crime Detection and Investigation (National Bureau of Investigation)
- PhP851 M** Community-based Rehabilitation and Re-integration of Offenders (Parole and Probation Administration)
- PhP26 M** Anti-Cybercrime Enforcement
- PhP5 M** National Justice Information System

Science and Technology

The COVID-19 pandemic shed light on the importance of having a solid foundation and support for innovation. For 2022, the government has allocated PhP24.3 billion for the Department of Science and Technology (DOST) and PhP10.1 billion for the Department of Information and Communications Technology (DICT) to fund programs and projects that will boost the country's Science, Technology, and Innovation (STI) sector.

Developing Human Resources and Businesses in STI

PhP8.1 B

Grants-in-Aid Program

To provide financial aid to various programs and projects in science- and-technology-related fields

PhP7.2 B

Scholarship Programs

To fund the scholarships under the Philippine Science High School and Science Education Institute

PhP983 M

Establishment of the Virology Science and Technology Institute of the Philippines

To fund the creation and construction of a virology research facility that will primarily focus on the research and study of viruses and viral diseases

PhP948 M

Small Enterprise Technology Upgrading Program (SETUP)

To increase the productivity and competitiveness of micro, small, and medium enterprises by providing assistance for the improvement of their products and services

PhP152 M

Balik Scientist Program

To encourage Filipino science and technology experts who are living overseas to return and share their expertise for the development of various industries in the country



Department of Science and Technology



Department of Science and Technology



Department of Science and Technology



Department of Information and Communications Technology



Enhancing STI Infrastructure

PhP2.6 B

Free Wi-Fi Internet Access in Public Places

To increase connectivity nationwide by providing free internet access in public places and state universities and colleges

PhP1.7 B

National Government Data Center Infrastructure

To develop and improve the DICT's data center in order to enhance public service delivery in the post-pandemic life

PhP1.5 B

National Broadband Plan

To expand access to cheaper, faster, and more reliable internet connection by installing fiber optic cables in various locations nationwide

PhP317 M

National Government Portal

To fund the one-stop gateway for all web-based government information and services



Population

As the Philippine population is expected to reach 112 million^{1/} by 2022, the government intensifies its efforts in managing the country's population by continuing to support measures that promote reproductive health and responsible family planning. A total of PhP537 million will go to the Commission on Population and Development (POPCOM) for its programs, activities, and projects on population management that will ultimately improve the quality of life of all Filipinos.



PhP40.6 B

National Program on Population and Family Planning (NPPFP)

To support the implementation of approved national, sectoral, and regional population plans and programs of the government. With the POPCOM as its lead implementing agency, all government efforts on population management will be harmonized to ensure national development.

PhP10.8 B

Family Health, Nutrition, and Responsible Parenting

To promote responsible parenting by addressing the needs and aspirations of the family, while considering their overall health, economic situation, and sociocultural concerns, among others

PhP315 M

Philippine Population Management Program

To fund the family planning activities of the POPCOM, such as lessons on reproductive health and psycho-social counselling, among others

PhP82 M

National Demographic Health Survey

To collect, evaluate, and provide data and information on the country's population, health, and nutrition situation. This survey is conducted every five years by the Philippine Statistics Authority.





Updated Targets to Achieve a Demographic Dividend

Particulars	Baseline	2022
<i>Demographic transition accelerated</i>		
Maternal Mortality Rate (per 100,000 live births) decreased	95 (2016)	108.0 ^{2/}
Under-five mortality rate (per 1,000 live births) decreased	31.0 (2013)	22.0
Adolescent birth rate (aged 15-19 years) decreased (number of births per 1,000 women in that age group)	57.1 (2013)	37.0
<i>Proportion of women who are using modern contraceptive methods (%)</i>		
All reproductive age (15-49 years old)	23.5 (2013)	30.0

Source: Updated 2017-2022 Philippine Development Plan (PDP)

^{1/}Updated Projected Mid-Year Population for the Philippines Based on the 2015 POPCEN Results: 2020-2025

^{2/}"The COVID-19 pandemic is assumed to have an impact on the access of women to essential sexual and reproductive health services – that may lead to an increase in deaths in 2020. Recalibration of the MMR target for 2022 is viewed to ensure the attainment of the country's 2030 SDG MMR target of 70 per 100,000 livebirths." (Source: Updated 2017-2022 PDP)

Infrastructure

Cognizant of the numerous productive economic opportunities that will be unlocked through infrastructure development, the government will continue the full-swing implementation of the *Build, Build, Build* Program. As a top priority for 2022, the Program will be provided PhP1.180 trillion to stimulate the economy and sustain the momentum towards recovery.



Build, Build, Build - Philippine Infrastructure Transparency Portal



Department of Public Works and Highways



Department of Public Works and Highways



Build, Build, Build - Philippine Infrastructure Transparency Portal

PhP1,180.5 B *Build, Build, Build* Program (5.3% of GDP)

PhP395.5 B	Road Networks	PhP12.6 B	Hospitals and Health Centers
PhP191.8 B	Development Fund of LGUs	PhP8.5 B	School Buildings
PhP177.3 B	Flood Control Systems	PhP7.5 B	Water Supply Systems
PhP111.5 B	Railways	PhP4.5 B	Housing and Community Facilities
PhP55.8 B	Buildings	PhP3.5 B	Power Supply Systems
PhP35.5 B	Right-of-Way Acquisitions	PhP2.7 B	Reforestation Projects
PhP21.8 B	Irrigation Systems		

Regional Breakdown of the Public Infrastructure Budget, 2021-2022 (in billion Pesos)

Particulars	2021	2022
Nationwide ^{1/}	165.9	205.7
Central Office ^{2/}	531.6	683.1
Cordillera Administrative Region (CAR)	18.6	12.2
Region I	16.9	14.5
Region II	18.0	15.9
Region III	30.8	27.0
National Capital Region (NCR) ^{3/}	55.8	45.0
Region IV-A	33.6	23.2
MIMAROPA	14.7	11.3
Region V	25.7	23.2
Region VI	21.7	15.4
Region VII	20.7	15.0
Region VIII	21.6	19.3
Region IX	11.8	8.8
Region X	20.0	12.9
Region XI	22.6	12.4
Region XII	12.3	9.4
CARAGA	11.6	7.6
Bangsamoro Autonomous Region in Muslim Mindanao ^{4/}	19.7	18.5
Total	1,073.8	1,180.5

Note: Figures may not add up due to rounding off.

^{1/}Nationwide allocations pertain to allocations that are yet to be distributed to various regional offices of departments/agencies and to multi-user special purpose funds (e.g., Calamity Funds).

^{2/}Central Office allocations consist of infrastructure allocations being managed by the head offices of departments/agencies for their respective units.

^{3/}Regional allocations for NCR include funding requirements of departments/agencies located in the NCR with nationwide coverage, but without regional operating units.

^{4/}Inclusive of infrastructure projects located in BARMM (and former ARMM) provinces



Ensuring Safe and Reliable Road Networks and Flood Mitigation Structures*

For 2022, a total of PhP686.1 billion will be allotted to the Department of Public Works and Highways (DPWH). Of this amount, PhP378.7 billion will be used to finance the following major programs:

PhP148.9 B Road Network Development Program

To improve connectivity and mobility across the country through the construction of 1,137.95 kilometers (km) of new roads and the widening of 651.180 km of existing roads

PhP131.1 B Flood Management Program

To help develop long-term flood management solutions through the construction of 894 flood mitigation structures and drainage systems, and the construction/rehabilitation of 435 existing flood control facilities in major and principal rivers

PhP63.3 B Asset Preservation Program

To ensure the safety and reliability of the country's road system through the preventive maintenance of 1,073.833 km of roads and the rehabilitation, reconstruction, and upgrading of 228.576 km of damaged paved roads

PhP35.4 B Bridge Program

To strengthen the country's bridge systems through the construction of 33,285 lineal meters of bridges, and the maintenance and rehabilitation of 281 bridges



Enhancing the Public Transportation System

A total of PhP151.3 billion will be given to the Department of Transportation (DOTr) to improve and modernize the country's public transport systems in preparation for the post-pandemic life.

PhP110.9 B Rail Transport Program^{5/}

PhP58.6 B	North-South Commuter Railway
PhP34.6 B	Metro Manila Subway Project Phase 1
PhP7.1 B	Subsidy for Mass Transport (MRT 3)
PhP3.5 B	LRT Line 1 Cavite Extension Project
PhP3.1 B	MRT 3 Rehabilitation Project
PhP3.0 B	Philippine National Railways' South Long Haul Project
PhP1.0 B	Subic Clark Railway Project



DOTr

PhP1.7 B Aviation Infrastructure Program

PhP950 M	Catbalogan Airport
PhP415 M	Ormoc Airport
PhP264 M	Tandag Airport
PhP55 M	Itbayat Airport



Presidential Communications Operations Office

PhP716 M Maritime Infrastructure Program

PhP550 M	Sorsogon RoRo Terminal Expansion Project
PhP155 M	Maritime Safety Capability Improvement Project (Phase 2)
PhP10 M	New Cebu International Container Port Project

National Economic and Development Authority
Regional Development Council XII

Supporting the Information Technology (IT) Sector

To create a harmonized e-government system that will improve productivity and efficiency in public service delivery, PhP16.4 billion will be used to cover expenditures for the Medium-Term Information and Communications Technology Harmonization Initiative (MITHI) in 2022.

Telecommunications

PhP6.4 B To fund various programs of the Department of Information and Communications Technology (DICT)

Governance

PhP4.8 B To fast-track the rollout of the National ID System

PhP574 M To aid the assessment of the effects of macroeconomic reforms and anti-poverty measures through the Community-Based Monitoring System

Taxation

PhP1.1 B To develop and support the information and communications technology (ICT) systems of the Bureau of Internal Revenue

Health

PhP619 M To establish online information systems for health emergencies and enhancement of nutrition, among others



Build, Build, Build - Philippine Infrastructure Transparency Portal



DICT

Strengthening Cooperation between Sectors

Through its Convergence Program, the DPWH manages funds and various infrastructure projects in other sectors.

Access Roads to:

PhP16.8 B Tourist destinations
PhP9.1 B Trade, industries, and economic zones
PhP2.1 B Seaports
PhP1.5 B Airports
PhP0.2 B Railway stations

Facilities for:

PhP6.2 B National security
PhP1.0 B Disaster management
PhP0.5 B Programs for persons with disabilities, senior citizens, and gender responsiveness

Environment

Rapid urbanization and population growth in the country has led to several environmental challenges that may increase the risks and negative impacts of climate change. To address these, the government adopts effective and sustainable strategies for environmental protection to ensure that the future generations will still be able to enjoy a clean, healthy, and resilient environment.



Creating a Healthier and Disaster-Resilient Environment

The government undertakes initiatives that promote and protect environmental integrity and improve disaster risk reduction and management to help communities prepare for possible disasters and emergencies.

PhP3.7 B National Greening Program

To sustain the rehabilitation of forestlands through the establishment of nurseries, planting of 72,900,557 seedlings in 83,006 hectares of forests, and conservation of 229,941 hectares of forests and watersheds

PhP1.0 B Protected Areas Development and Management

To conserve the country's ecosystems by protecting environmental reserves and restoring/rehabilitating degraded areas

PhP1.8 B Manila Bay Rehabilitation

To clean, rehabilitate, and maintain the water quality of the Manila Bay, as well as the esteros and waterways connected to it

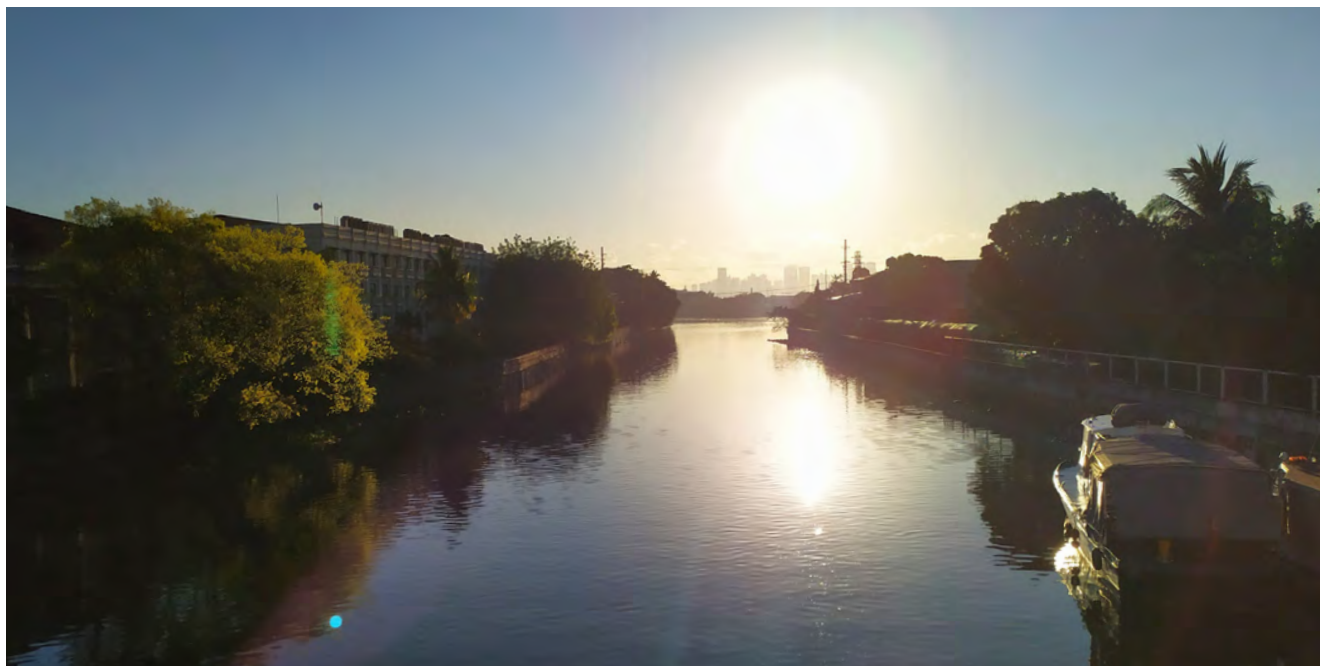
PhP272 M Coastal and Marine Ecosystems Management

To protect and manage marine biodiversity and coastal habitats, such as coral reefs, sea grass beds, mangrove forests, mudflats, and plankton communities, among others

PhP146 M Clean Water Regulations

To improve the water quality of priority rivers and other critical bodies of water by monitoring and designating water quality management areas





PhP131.1 B **Flood Management Program**

To help develop long-term flood management solutions and protect flood-prone areas across the country through the construction of 894 flood control facilities

PhP6.4 B **Quick Response Fund^{1/}**

To serve as standby funds to facilitate the swift response to and recovery of the communities or areas stricken by disasters, calamities, epidemics, or complex emergencies

PhP1.0 B **Solid Waste Management**

To ensure the protection of public health and the environment through the assessment and monitoring of 231 dumpsites, and construction of one (1) Waste-to-Energy Facility in Davao City

PhP20.0 B **National Disaster Risk Reduction and Management Fund**

To support disaster prevention, mitigation, and preparedness activities, as well as the rehabilitation and recovery of communities affected by natural or human-induced calamities

PhP178 M **Clean Air Regulations**

To improve the country's air quality and support the operation, calibration, and maintenance of 102 air quality monitoring stations

PhP53 M **Renewable Energy Development Program**

To promote the development of technologies for renewable energy

^{1/}Inclusive of PhP2.0 B under the Department of Education; PhP1.3 B under the Department of Social Welfare and Development; PhP1.0 B under the Department of Agriculture; PhP1.0 B under the Department of Public Works and Highways; PhP0.5 B under the Department of Health; PhP0.5 B under the Office of Civil Defense; and PhP0.1 B under the Department of the Interior and Local Government

Peace, Public Order, and Safety

To build safe and peaceful communities, the proposed 2022 National Budget ensures that the Administration's peace-building and crime-fighting initiatives will be sustained and strengthened. The Department of the Interior and Local Government (DILG) will be provided PhP250.4 billion to improve its police, fire protection, and jail services, while the Department of National Defense will get PhP222.0 billion to secure the country's territory and sovereignty.

Maintaining Public Order and Safety



PhP190.7 B

Philippine National Police (PNP)

PhP172.2 B To conduct police patrol operations and campaigns against various crimes, among others, through the Crime Prevention and Suppression Program

PhP2.0 B To modernize the PNP through the Capability Enhancement Program

PhP372 M To construct 53 police stations nationwide



PhP26.8 B

Bureau of Fire Protection

PhP21.7 B To conduct fire suppression activities and investigations

PhP2.3 B To procure fire-fighting equipment and construct fire stations



PhP21.4 B

Bureau of Jail Management and Penology (BJMP)

PhP18.1 B To support the safekeeping and rehabilitation of 182,556 inmates

PhP49 M To fund the operations of the Jail Integrated Command and Control Center



PhP2.5 B

Philippine Anti-Illegal Drugs Strategy

To help pave the way for a drug-free Philippines by cutting down the supply of and demand for illegal drugs through strengthened law enforcement, rehabilitation and treatment of drug users, and conduct of drug prevention education and awareness programs, among others



Defending National Territory

PhP215.8 B

Armed Forces of the Philippines (AFP)

To strengthen the country's military troops and fund the following:

- PhP102.9 B** Philippine Army
- PhP32.7 B** Philippine Navy
- PhP32.3 B** Philippine Air Force
- PhP35.0 B** Revised AFP Modernization Program

Pursuing a Just and Sustainable Peace

PhP74.8 B

Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)

To provide financial support to the Bangsamoro government in the form of:

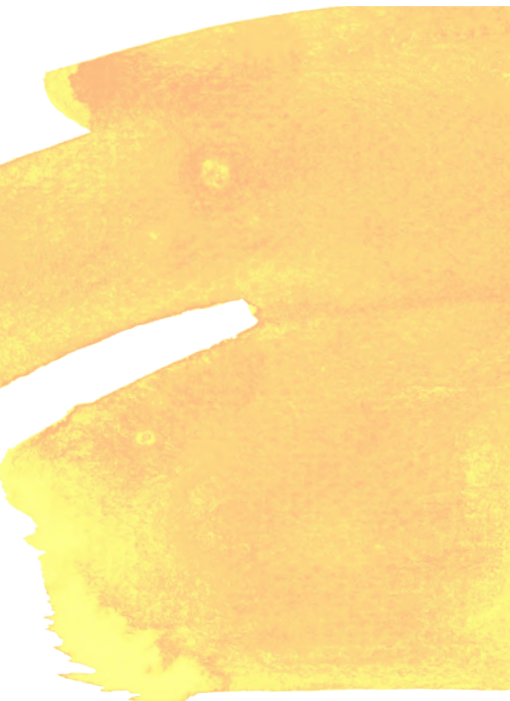
- PhP67.0 B** Annual Block Grant
- PhP5.0 B** Special Development Fund for the rebuilding, rehabilitation, and development of conflict-affected communities in the BARMM
- PhP2.8 B** Share in taxes, fees, and charges collected in the Bangsamoro Autonomous Region

PhP28.1 B

Support to the *Barangay* Development Program

To cover the requirements for the implementation of priority development projects in 1,406 *barangays* cleared by the National Task Force to End Local Communist Armed Conflict (NTF-ELCAC)





Financing the National Budget

Every year, the Executive Department crafts and submits for approval a National Budget, which is basically the government's plan for income and expenses for the coming year. The Budget is prepared by determining the budgetary levels based on the country's macroeconomic situation, identifying fund sources that may be tapped (e.g., revenues and borrowings), and formulating the government's priorities, economic targets, projections, and financing program. This section provides an insight into how the proposed 2022 National Budget will be funded.

The 2022 Budget and the Economy

While the reimposition of strict quarantine measures had dampened prospects for a strong economic recovery in 2021, the government remains optimistic that the economy will begin to rally back to pre-pandemic levels in 2022. To support this outlook, the proposed 2022 National Budget will address both health and economic concerns by providing funds to sustain the proactive pandemic response, enhance the mass vaccination program, and further boost infrastructure development.

Macroeconomic Assumptions, 2020-2024

Parameters	Actual	Assumptions ^{1/}			
	2020	2021	2022	2023	2024
Real GDP Growth (%)	(9.6)	6.0-7.0 ^{2/}	7.0-9.0	6.0-7.0	6.0-7.0
Inflation (%)	2.6	2.0-4.0	2.0-4.0	2.0-4.0	2.0-4.0
Dubai Crude Oil (US\$/bbl)	42.21	50-70	50-70	50-70	50-70
FOREX (PhP/US\$)	49.62	48-53	48-53	48-53	48-53
Growth of Exports (%) ^{3/}	(11.3)	10.0	6.0	6.0	6.0
Growth of Imports (%) ^{3/}	(22.9)	12.0	10.0	8.0	8.0



Reforms for Recovery

To speed up economic recovery, the government will prioritize the passage of the following urgent reform bills:

- Government Financial Institutions Unified Initiative to Distressed Enterprises for Economic Recovery (GUIDE) Bill
- Amendments to the Foreign Investment Act, Retail Trade Liberalization Act, and Public Services Act
- Packages 3 and 4^{4/} of the Comprehensive Tax Reform Program

^{1/}Assumptions were adopted in the Special Development Budget Coordination Committee (DBCC) Meeting on July 19, 2021.

^{2/}GDP estimate for 2021 was revised to 4.0%-5.0% during the Special DBCC Meeting on August 18, 2021.

^{3/}Based on the IMF's Balance of Payments and International Position Manual, 6th edition (BPM6)

^{4/}Package 3 (Real Property Valuation Reform); Package 4 (Passive Income and Financial Intermediary Taxation Act Reform)

Notes on Selected Macroeconomic Indicators for 2022



Board of Investments

Real GDP Growth

Higher economic growth can generate more revenues that can be used to finance the budget deficit or fund key programs and projects. For 2022, the economy is expected to grow by 7.0% to 9.0%.

Every 1 percentage point increase in the GDP
= Php28.2 billion additional revenues



Department of Agriculture

Inflation

Inflation, or the general increase in prices, can boost revenues from taxable goods and services. In 2022, the inflation rate is projected to settle between 2.0% to 4.0%.

Every 1 percentage point increase in inflation rate
= Php24.7 billion additional revenues



Bureau of Customs

Foreign Exchange

The depreciation of the Peso against the US Dollar increases the costs of foreign debt and interest payments. For 2022, the government expects that the exchange rate will settle between Php48 and Php53 per US dollar.

Every 1 Peso depreciation
= Php9.7 billion additional revenues and
Php2.1 billion increase in expenditures



Philippine Ports Authority

Imports

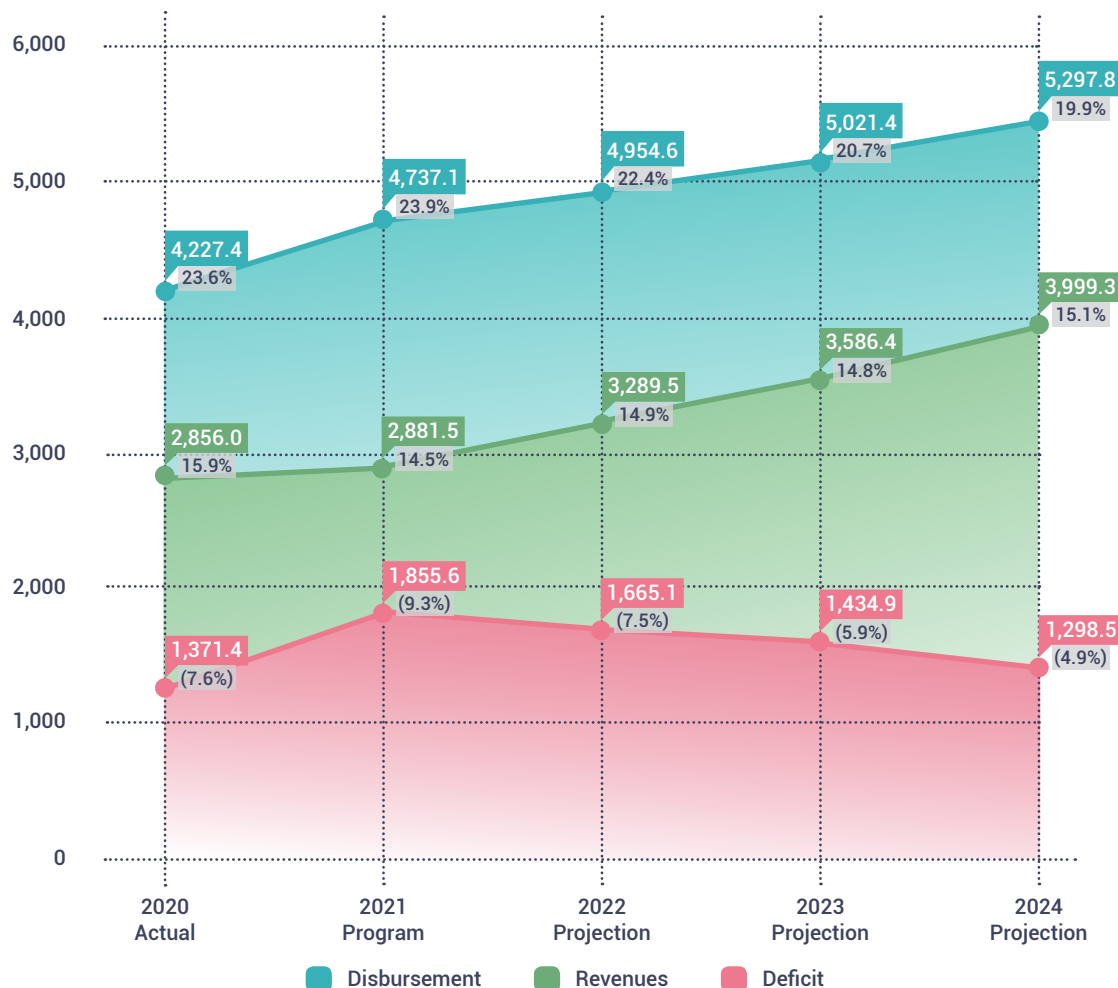
Increased taxes on imports or a greater flow of imports can help improve the country's fiscal health. For 2022, imports growth will be maintained at 10.0%.

Every 1 percentage point increase in imports
= Php7.6 billion additional revenues

Fiscal Program^{1/}

A sound fiscal policy is crucial in ensuring the availability of resources to manage and mitigate the continuing risks and impacts of the COVID-19 health crisis in 2022. Aware of this, the government remains steadfast in crafting and implementing fiscal policies that will help accelerate economic recovery even with the limited fiscal space.

Fiscal Program, 2020-2024
(in billion Pesos and as a Percentage of GDP)



Despite the expected continuing impact of the pandemic, fiscal projections for the succeeding years indicate a positive outlook. The increase in revenues and disbursements is expected to support the implementation of various programs in the health, social services, and infrastructure sectors, among others. The deficit, on the other hand, is projected to decrease as the government plans to reduce its borrowing costs in line with its fiscal consolidation strategy.

^{1/}Consistent with the macroeconomic and growth assumptions and fiscal program approved during the Special DBCC Meeting on July 19, 2021



Fiscal Projections for 2022



Disbursements

The government will allot PhP4,954.6 billion, or 22.4% of GDP, to support its priority programs and projects in 2022.

Revenues

Revenue collections for 2022 are projected to reach PhP3,289.5 billion or equivalent to 14.9% of GDP.

Deficit

The deficit program is expected to decrease to PhP1,665.1 billion, or 7.5% of GDP, as the government remains committed to exercise discipline and prudence in the management of public funds in order to ensure fiscal sustainability and to gradually bring back the country's deficit to pre-pandemic levels.

Revenues

To fund the country's COVID-19 response activities and other priority expenditures, the government expects to collect PhP3.290 trillion in revenues for 2022, 14.2% higher than the PhP2.882 trillion programmed for 2021. The increase in revenues is anticipated as the economy slowly reopens and tax collection efforts are intensified.

Total Revenues, 2020-2023

2020	2021	2022	2023
PhP2.856 trillion (Actual)	PhP2.882 trillion (Program)	PhP3.290 trillion (Projection)	PhP3.586 trillion (Projection)
15.9% of GDP Down by 9.0%	14.5% of GDP Up by 0.9%	14.9% of GDP Up by 14.2%	14.8% of GDP Up by 9.0%

Breakdown by Revenue Source



Bureau of Customs Division

PhP3,125.0 B

Tax Revenues

Collections of the Bureau of Internal Revenue and Bureau of Customs (e.g., net income and profits, properties, domestic goods and services, international trade and transactions)

PhP164.0 B

Non-Tax Revenues

Income from Treasury Operations of the National Government and Government-Owned and/or -Controlled Corporations, fees and charges, and other non-tax revenues (e.g., Malampaya Royalties)



Philippine National Oil Company Exploration Corporation

PhP500 M

Privatization

Income from the sale and lease of government properties, among others

Comprehensive Tax Reform Program

To fast-track the country's recovery from the pandemic, the government will continue to implement reforms — such as Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law — that will enhance the competitiveness of industries and spur economic activity.

Salient Features of the CREATE Law

The CREATE Law aims to help micro, small, and medium enterprises and encourage more foreign investments in the country through the following:

- Tax incentives for business enterprises through the reduction of corporate income tax rates from the current 30% to 25% by 2022, and further down to 20% by 2027
- Flexibility in the grant of fiscal and non-fiscal incentives that are performance-based, strategically targeted, time-bound, and transparent
- Longer sunset period for businesses currently enjoying incentives



Source: Department of Finance

Pending CTRP Packages



Package 2+
Mining Taxes



Package 3
Real Property
Valuation Reform



Package 4
Passive Income
and Financial
Intermediary
Taxation Act
(PIFITA) Reform



**Motor Vehicle
Users Charge**

Revenues Generated from CTRP, 2020-2023

Particulars	2020 (Actual)	2021 (Program)	2022 (Projection)	2023 (Projection)
Tax Reform for Acceleration and Inclusion Law	PhP105.9 B	PhP157.9 B	PhP169.9 B	PhP118.0 B
Sin Tax Laws	PhP32.1 B	PhP43.1 B	PhP52.3 B	PhP67.0 B
Tax Amnesty Law	PhP6.0 B	-	-	-
CREATE Law	-	(PhP138.2 B)	(PhP118.8 B)	(PhP115.0 B)
Financial Institutions Strategic Transfer Law	-	(PhP1.0 B)	(PhP2.0 B)	(PhP2.9 B)
Total	PhP144.0 B	PhP61.9 B	PhP101.4 B	PhP67.1 B

Note: Figures may not add up due to rounding off.

Borrowings

Government borrowings for 2022 are expected to reach PhP2,472.8 billion. Following a 77:23 borrowing mix, wherein domestic sources are favored over foreign sources, this amount will be used to augment government revenues and finance programs and projects for the fiscal year.

FY 2022 Total Borrowings: PhP2,472.8 B



Domestic Borrowings: PhP1,912.2 B

PhP1,860.2 B^{1/}
Fixed Rate Treasury Bonds

PhP52.0 B
Treasury Bills



Foreign Borrowings: PhP560.6 B

PhP353.5 B
Bonds and Other Inflows

PhP126.7 B
Program Loans

PhP80.4 B
Project Loans^{2/}

National Government Debt Level^{3/} (As a Percentage of GDP)

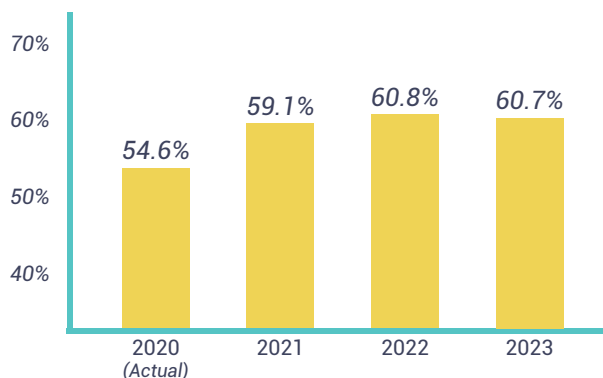
To help the country recover from the economic and social impacts of the ongoing COVID-19 pandemic, the government has been funding and implementing programs and projects that will reverse these effects. As a result, the national debt level is expected to settle within the sustainable level of 60.8% of GDP in 2022.

Note: Chart baseline is at 30%.

^{1/}Includes A/R bonds

^{2/}Includes relent loans assumed by the NG based on Subsidiary Loan Agreement

^{3/}Consistent with the medium-term macroeconomic assumptions and fiscal program approved by the DBCC on July 19, 2021





The Basics of Budgeting

Understanding government budgeting can be as easy as A-B-C. Browse through this section and learn about the yearly Budget Cycle, commonly-used budgeting terms, off-budget accounts of various government agencies, and the COVID-19 Transparency Nook which provides a quick summary of the government's pandemic response expenditures for 2022.





1.1
Issuance of
Budget Call
(December of PY)

1.2
Citizen Engagement/
Regional Development
Council (RDC)
Consultations
(January – February of CuY)

1.3
Conduct of budget
hearings and review of
Tier I for BY
(February of CuY)

4.4
Conduct of audit
(Within the
following year)

4.3
Publication of Mid-Year
Report for CuY and
Year-End Report for PY
(August-September)

4.2
Posting of Disbursement
Assessment Reports
(Every month of the CuY)

4.1
Submission of quarterly
Budget and Financial
Accountability Reports
(Every quarter of the CuY)

The Budget Cycle

Government budgeting involves four distinct phases that make up the Budget Cycle: preparation, legislation, execution, and accountability. While the Executive Branch implements the budget for the current year, it also plans and prepares the budget for the succeeding year and ensures that goals are met by monitoring, evaluating, and reporting actual performance year-round. Shown here is the ideal schedule of activities that government agencies follow during the cycle.



CuY: Current Year

BY: Budget Year (Current year + 1 year)

PY: Prior Year (Current year – 1 year)

3.7
Release of NCAs for
the 2nd semester
(July of CuY)

3.6
Release of Notices of
Cash Allocation (NCAs)
for the 1st semester
(January of CuY)

3.5
Submission of
adjusted BEDs
based on GAA
(January of CuY)

3.4
Awarding of
contracts
(January of CuY)

Source: Joint Circular No. 2017-1 issued on June 30, 2017
(Department of Budget and Management, Department of Finance, and the National Economic and Development Authority)

1.4
Program
convergence
(April of CuY)

1.5
Submission of
Tier II budget
proposals for BY
(April-May of CuY)

1.6
Conduct of budget
hearings and review
of Tier II for BY
(May-June of CuY)

1.7
Consolidation,
validation, and
confirmation
(June of CuY)

1.8
Approval of the
proposed National
Budget for BY by the
Cabinet (July of CuY)

1.9
Submission of the
proposed National
Budget to the Congress
(July/August of CuY)

2.1
Budget deliberations
in the House of
Representatives and
Senate (August-
November of CuY)

2.2
House and Senate
ratifications on the
General Appropriations
Bill (August-November
of CuY)

2.3
Enactment of the
General Appropriations
Act (GAA)
(December of CuY)

3.2
Submission of Monthly
Disbursement Program
(October of PY)

3.1
Early procurement
activities
(August of PY)

3.3
Submission of Budget
Execution Documents
(BEDs) based on the
National Expenditure
Program (NEP)
(December of PY)



Glossary

01

Allotment

The share of appropriations which serves as a government entity's limit and basis for committing/incurred obligations, in accordance with the purpose, documentation requirements, and within the period of time as specified in any of the following budget authorization documents to be issued by the DBM:

1. General Appropriations Act as the Allotment Order (GAAAO) for specific appropriation items deemed released upon effectivity of the GAA, i.e., "For Comprehensive Release";
2. General Allotment issued to all national government agencies, in general, to incur obligations, i.e. Retirement and Life Insurance Premium (RLIP), except RLIP for the departments/agencies chargeable against Special Accounts in the General Funds (SAGFs) and those covered by special arrangements; and
3. Special Allotment Release Order (SARO) issued to identified agencies to incur obligations not exceeding a given amount during a specified period for the purpose indicated. It shall cover expenditures the release of which is subject to compliance with specific laws or regulations, or is subject to separate approval or clearance by competent authority.

Sources:
2022 Budget of Expenditures and Sources of Financing;
Bangko Sentral ng Pilipinas

02

Allotment Class

Classification of expenditures under the following categories:

1. Personnel Services (PS)
2. Maintenance and Other Operating Expenses (MOOE)
3. Financial Expenses (FinEx)
4. Capital Outlays (CO)

03

Appropriation

An authorization pursuant to laws or other legislative enactment, hence, required Congressional action, directing the spending of public funds for a specific purpose, up to a specified amount under specified conditions.

04

Budget

The budget is the government's financial plan for a year. It is a table/schedule of expenditures, based on either obligations or cash concepts and the corresponding sources of financing, either from revenues, borrowings, or cash drawdown. Ultimately, it is a tool that enables the government to achieve its development agenda.

05

Budget Deficit

A situation where government spending exceeds revenues.

06

Cash Budgeting System

Annual appropriations that limit incurring obligations and disbursing payments for goods delivered and services rendered, inspected and accepted within the current fiscal year. Payments of these obligations shall be made until the Extended Payment Period (EPP) or within three (3) months immediately succeeding the end of the preceding fiscal year.

07

Debt Service

The sum of debt amortization and interest payments, including commitment fees and other charges on foreign and domestic borrowings.

08

Disbursement

A settlement/liquidation/payment of an obligation incurred in the current or prior years, involving cash or noncash transactions and covered by disbursement authorities.

09

Expenditure Program

The ceiling on the obligations that could be incurred by the government in a given budget year. The said ceiling is supported by estimated financial resources.

10

Fiscal Policy

The part of government policy which is concerned with raising of resources through taxation and borrowing and deciding on the level and pattern of expenditures.

11

Gross Domestic Product (GDP)

The sum of gross value added of all resident producer units plus that part (possibly the total) of taxes on products, less subsidies on products, that is not included in the valuation of output. GDP simply refers to the total value of goods and services produced in a country over a specific time frame, such as a quarter or a year. The GDP growth rate adjusted for prices may be used as a measure of the economic development or progress of a country.

12

Inflation

Inflation refers to the rate of change in the average prices of goods and services typically purchased by consumers.

Off-Budget Accounts

Off-Budget Accounts are authorized revenues or receipts collected by government agencies from their operations that will be utilized to cover certain expenditures. Although not part of the General Appropriations Act, these are still subject to audit and inspection by the Commission on Audit to ensure transparency.

Total Off-Budget Accounts for 2022

Revenues	Expenditures
PhP100.5 B	PhP107.4 B

For 2022, the expected PhP100.5 billion off-budget revenues of government agencies will be used to finance or augment funds for specific expenditures amounting to PhP107.4 billion.

Major Off-Budget Accounts

State Universities and Colleges

Revenues: PhP26.4 B
Expenditures: PhP27.1 B

For the payment of authorized benefits of teachers and some operating expenses, among others

Department of Health

Revenues: PhP23.2 B
Expenditures: PhP22.8 B

For operating expenses, some capital investments, and purchase of drugs and medical supplies, among others

The Judiciary

Revenues: PhP8.4 B
Expenditures: PhP17.9 B

For the allowances of justices and judges, equipment and facilities of courts, and training expenses, among others

Department of Labor and Employment

Revenues: PhP3.6 B
Expenditures: PhP3.5 B

For the payment of appeal bonds, monetary judgment awards, socioeconomic projects, workers' benefits, among others

Department of Public Works and Highways

Revenues: PhP1.8 B
Expenditures: PhP0.2 B

For infrastructure projects/ payment of progress billings, and taxes withheld from creditors, among others

Department of Finance

Revenues: PhP1.6 B
Expenditures: PhP1.4 B

For relending to local government units and some operating expenses, among others



COVID-19 Transparency Nook

With the emergence of more virulent and transmissible Coronavirus variants, the government recognizes the urgent need to further bolster its capacities in responding to the threats and risks of the pandemic, enhance the mass vaccination program, and keep all Filipinos protected. The proposed 2022 National Budget provides sufficient allocations for these purposes.

Strengthening the Pandemic Response

New COVID-19 Response Programs/Projects

PhP45.4 B^{1/} Procurement of COVID-19 Booster Shots

PhP5.1 B Procurement of GeneXpert Cartridges and Other Laboratory Supplies

PhP3.8 B Emergency Hiring of COVID-19 Human Resources for Health

PhP819 M Purchase of Personal Protective Equipment

PhP106 M Operations of the One Hospital Command Center

Foreign-assisted Projects:

PhP1.2 B Philippine COVID-19 Emergency Response Project 2

PhP102 M Health System Enhancement to Address and Limit COVID-19

Research and Development:

PhP983 M Virology Science and Technology Institute of the Philippines

PhP140 M Philippine Genomic Information and Resource Hub



Regular Health Programs

PhP80.0 B National Health Insurance Program (PhilHealth)

PhP50.8 B Operations of DOH Hospitals and Health Facilities in Metro Manila and Other Regions

PhP19.6 B Health Facilities Enhancement Program

PhP17.0 B Medical Assistance to Indigent Patients

PhP17.0 B Human Resources for Health Program

^{1/}Lodged under the 2022 Unprogrammed Appropriations

Cushioning and Coping with the Effects of COVID-19

Social Protection

- PhP115.7 B** *Pantawid Pamilyang Pilipino Program*
- PhP23.5 B** *Social Pension for Indigent Senior Citizens*
- PhP18.0 B** *Protective Services for Individuals and Families in Difficult Circumstances*
- PhP4.9 B** *Sustainable Livelihood Program*
- PhP2.7 B** *Balik Probinsya, Bagong Pag-asa Program (DSWD)*

Livelihood

- PhP22.3 B** *Livelihood and Emergency Employment Program*
- PhP11.2 B** *Emergency Repatriation Program*
- PhP3.8 B** *Training for Work Scholarship Program*
- PhP3.4 B** *Micro, Small, and Medium Enterprises Development Program*
- PhP1.5 B** *Pondo sa Pagbabago at Pag-Asenso Program*



Department of Social Welfare and Development

Nutrition and Food Security

- PhP22.9 B^{2/}** *Irrigation Services*
- PhP4.5 B** *Crop Insurance Program*
- PhP4.2 B** *Supplementary Feeding Program*
- PhP3.3 B** *School-based Feeding Program*
- PhP2.5 B** *Credit Support Services*

Education

- PhP49.7 B** *Universal Access to Quality Tertiary Education*
- PhP30.1 B^{3/}** *Government Assistance and Subsidies*
- PhP15.1 B** *Development, Reproduction, and Delivery of Learning Resources for the Basic Education-Learning Continuity Plan*
- PhP11.6 B** *DepEd Computerization Program*

^{2/}Includes allocations for national and communal irrigation systems managed by the NIA (PhP21.8 B) and small-scale irrigation projects of the DA (PhP1.1 B)

^{3/}Includes the DepEd's Government Assistance and Subsidies (PhP28.4 B), CHED's Student Financial Assistance Programs (PhP1.5 B), and TESDA's Private Education Student Financial Assistance (PhP200 M)

Ask Your Government

The government remains committed to promote transparency and keep the public well-informed on where their taxes go, especially during this difficult time. We invite you to get involved by picking up the phone or sending an email to know more.



Selected Public Assistance Desks/External Relations Offices in the Executive Branch



Office of the President
Presidential Complaint Center
8736-8645; 8736-8603
pcc@malacanang.gov.ph



Department of Labor and Employment
Information and Publication Service
DOLE Hotline: 1349



Office of the Vice President
Public Assistance Division
8370-1716 to 19 loc. 113
pad@ovp.gov.ph



Department of Public Works and Highways
Stakeholders Relations Service
5304-3280
santiago.andro@dpwh.gov.ph



Department of Agriculture
Public Assistance and Complaints Desk
8928-8741 to 64 loc. 2136



Department of Science and Technology
Public Assistance and Complaints Desk
8837-2071 loc. 2036, 2053; 8838-9080
dost-co_personnel_division@dost.gov.ph



Department of Education
Public Assistance Action Center
8636-1663; 8633-1942



Department of Tourism
Tourism Information Center
8459-5200 to 30 loc. 101, 102
mmramos@tourism.gov.ph



Department of Environment and Natural Resources
Strategic Communications and Initiatives Service
8249-3367 loc. 1054, 1055; 8928-2910



Department of Trade and Industry
DTI Direct/Customer Contact Center
1-DTI (1-384); (0917) 834-3330
ASK@dti.gov.ph



Department of Foreign Affairs
Office of the Undersecretary for Migrant Workers
8834-4996; 8834-4449
oumwa@dfa.gov.ph



Department of Transportation
Communications and Commuter Affairs
8790-8300; 8790-8400 loc. 305, 362, 723
comms@dotr.gov.ph



Department of Health
Malasakit Program Office
8651-7800 loc. 1807, 1806
aadelmundo@doh.gov.ph



Civil Service Commission
Public Assistance and Information Office
8931-7993; 8932-0381; 8932-0179 F
paio@csc.gov.ph



Department of the Interior and Local Government
Public Assistance and Complaint Center
8876-3454 loc. 6700; 8925-0343; 8925-1144



Commission on Audit
Public Information Office
8951-0934; 8951-6955
jbbeltran@coa.gov.ph; press@coa.gov.ph



Department of Justice
DOJ Action Center (DOJAC)
8526-3365; 8521-2930
dojac@doj.gov.ph



Commission on Human Rights
Citizens' Help and Action Division
8294-8704
chad.pasco.chr@gmail.com

For more information, news, and updates on the government's COVID-19 response, please visit the official COVID-19 Dashboard at <https://covid19.gov.ph>.



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The following sections are relevant and informative:

The Proposed 2022 National Budget	1	2	3	4	5
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The Basics of Budgeting	1	2	3	4	5

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The content is logical and well-organized.	1	2	3	4	5
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2022 People's Proposed Budget

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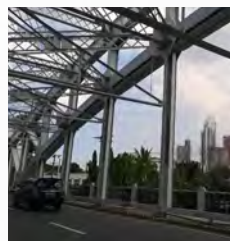
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