

2023 NATIONAL GOVERNMENT DISBURSEMENT REPORT

2nd
QUARTER

April to June
2023

During the second quarter of 2023, the National Government (NG) disbursed Php 1,322.3 billion, which is slightly higher by Php 21.8 billion or 1.7% year-on-year.

2023
Php 1,322.3 B

2022
Php 1,300.5 B



Php 21.8 B
or 1.7 %

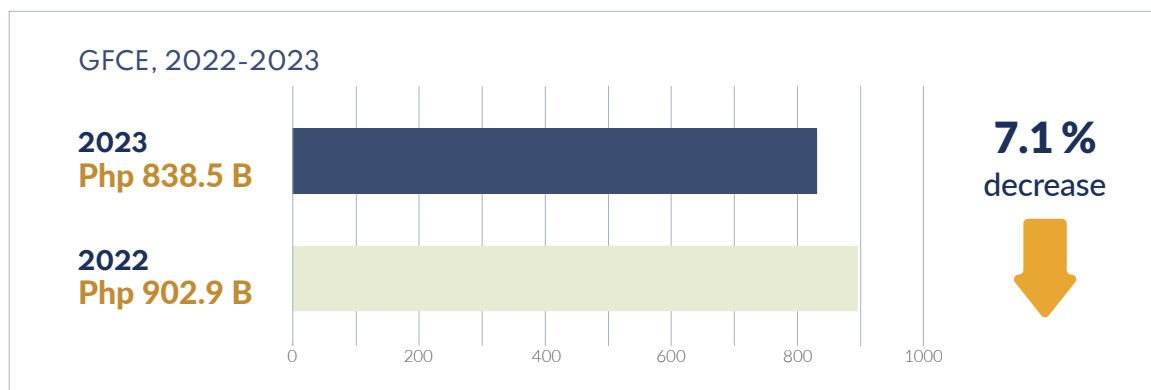
National Government Disbursement Performance (April to June Year-on-Year [Y-o-Y])

	2023	2022
Current Operating Expenditures	Php 947.5 B	Php 945.7 B
Capital Outlays	Php 363.2 B	Php 343.9 B
Net Lending	Php 11.6 B	Php 10.8 B
Grand Total	Php 1,322.3 B	Php 1,300.5 B

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

Impact of Government Spending on Q2 Economic Performance

Out of these disbursements, Php 838.5 billion¹ represented the government's share in the country's total nominal GDP of Php 5,207.1 billion¹ during the same quarter. Also known as the Government Final Consumption Expenditure (GFCE)², the amount represented a 7.1% decline Y-o-Y largely due to lower-than-expected Maintenance and Other Operating Expenditure (MOOE).



¹At constant 2018 prices

²The Philippine Statistics Authority defines GFCE as the government's direct spending on services and goods for the country, such as defense, education, public order, and safety. To estimate GFCE, the value of any proceeds from sales of government output is subtracted from the total expenditure on providing services. For example, passport fees are excluded from the total cost of providing the passport, as the cost is borne by the passport holder.

For the Period January to June 2023

The strong performance in National Government (NG) disbursements during the first half of 2023 made up for the decrease in the combined allotment and capital transfers to Local Government Units (LGUs) resulting from the latter's lower National Tax Allotment (NTA) shares.

NG disbursements amounted to Php 2,411.9 billion for the first half of 2023, which is slightly higher by Php 10.1 billion or 0.4 percent compared to the same period last year.

2023

Php 2,411.9 B

2022

Php 2,401.7 B



Php 10.1 B
or 0.4 %



Drivers of Spending Growth (First Semester)

Infrastructure and Other Capital Outlays

Up by Php 36.7 billion or 7.8% Y-o-Y

- acceleration of implementation of various infrastructure projects of the DPWH nationwide
- direct payments made by development partners for the implementation of foreign-assisted rail transport projects of the DOTr

Interest Payments

Up by Php 25.2 billion or 9.8% Y-o-Y

- higher interest rates for domestic and foreign loans, notably those priced relative to the Secured Overnight Financing Rate

Subsidy

Up by Php 11.0 billion or 20.8% Y-o-Y

- earlier schedule of releases to the Philippine Health Insurance Corporation (PHIC) for the payment of health insurance premiums of senior citizens in June 2023 compared to second semester in 2022

Personnel Services

Up by Php 10.6 billion or 1.6% Y-o-Y

- implementation of the fourth tranche of the Salary Standardization Law V
- filling up newly created positions in various agencies and State Universities and Colleges
- payment of Health Emergency Allowance to plantilla healthcare workers of the Department of Health

Source:

National Government Disbursement Performance Reports



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