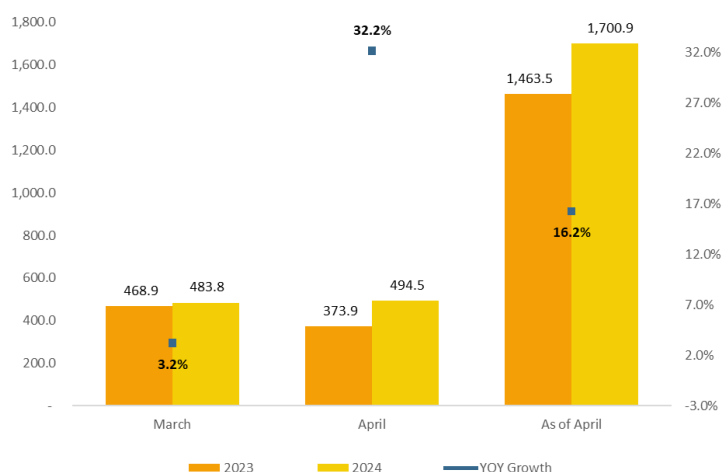


## NATIONAL GOVERNMENT DISBURSEMENT PERFORMANCE

### AS OF APRIL 2024

National Government (NG) disbursements in April 2024 surged to P494.5 billion, growing by P120.6 billion or 32.2 percent year-on-year. Almost all expenditure items increased, but more significant expansion was recorded in maintenance and other operating expenses (MOOE), infrastructure and other capital outlays, interest payments, and subsidy support to government corporations. This pushed government spending for the first four months of 2024 to P1,700.9 billion, P237.4 billion or 16.2 percent higher than the level recorded a year ago.

**Figure 1. National Government Disbursements**  
Amounts in billion pesos, unless otherwise indicated



Cash disbursements through the use of Notice of Cash Allocations (NCAs) in April 2024 jumped to P401.7 billion, higher by P97.6 billion or 32.1 percent from last year due mainly to higher maintenance spending, capital outlays, and subsidy. Meanwhile, non-NCA disbursements amounted to P92.8 billion, up by P23.0 billion or 32.9 percent year-on-year on account of larger interest payments and tax expenditures. Year-to-date, NCA disbursements totaled P1,302.2 billion, P143.4 billion or 12.4 percent more than the previous year, while non-NCA disbursements were posted at P398.6 billion, up by P94.0 billion or 30.9 percent year-on-year owing to higher interest payments, encashment of check floats<sup>1</sup>, and tax expenditures.

**Table 1. Comparison of NCA and Non-NCA Disbursements, 2023-2024**

(Amount in billion pesos, unless otherwise indicated)

Particulars	As of March				April				As of April			
	2023	2024	Inc/(Dec)		2023	2024	Inc/(Dec)		2023	2024	Inc/(Dec)	
			Amt	%			Amt	%			Amt	%
NCA	854.8	900.6	45.8	5.4	304.1	401.7	97.6	32.1	1,158.9	1,302.2	143.4	12.4
% of Eff. NCA	98.7%	93.2%			80.0%	92.2%			93.0%	92.9%		
Non-NCA	234.8	305.8	71.0	30.3	69.8	92.8	23.0	32.9	304.6	398.6	94.0	30.9
<b>TOTAL</b>	<b>1,089.6</b>	<b>1,206.4</b>	<b>116.8</b>	<b>10.7</b>	<b>373.9</b>	<b>494.5</b>	<b>120.6</b>	<b>32.2</b>	<b>1,463.5</b>	<b>1,700.9</b>	<b>237.4</b>	<b>16.2</b>
<b>Memo Item</b>												
Effective NCAs issued net of Trust Liabilities, Gross of Working Fund												
	As of March				April				As of April			
	2023	866.3			2023	380.1			2023	1,246.4		
	2024	966.2			2024	435.8			2024	1,402.0		
<b>Allotment Releases<sup>a/</sup></b>												
As of April 2023		4,518.2 <sup>b/</sup>	85.8%	of the P5,268.0 billion obligation program								
As of April 2024		4,958.4 <sup>b/</sup>	86.0%	of the P5,767.6 billion obligation program								

Sources: Bureau of the Treasury and DBM-Budget Technical Bureau

<sup>a/</sup> Based on the Status of Allotment Releases available at <https://www.dbm.gov.ph/index.php/status-of-allotment-releases>.

<sup>b/</sup> Includes other releases coming from the Prior Year's Continuing Appropriations, Unprogrammed Appropriations, and Other Automatic Appropriations.

<sup>1</sup> Checks issued late last year but were only presented for payment during the first three months of this year.

## Allotment Releases

As of end-April 2024, total allotment releases reached P4,958.4 billion, equivalent to 86.0 percent of the P5,767.6 billion obligation program for the year. Releases for the month of April 2024 amounted to P88.7 billion, which included the following big-ticket expenditures:

DEPARTMENT/GOCC	PURPOSE	AMOUNT (In billion pesos)
Department of Social Welfare and Development (DSWD)	Funding requirements for the implementation of <i>Ayuda sa Kapos Ang Kita</i> Program	P26.7 billion
Commission on Higher Education	Universal Access to Quality Tertiary Education and <i>Tulong Dunong</i> Program	P13.3 billion
Department of National Defense (DND)	Revised Armed Forces of the Philippines Modernization Program (RAFPMP)	P8.6 billion
Bureau of the Treasury	FY 2024 Net Lending	P7.2 billion
Philippine Veterans Affairs Office	2 <sup>nd</sup> Quarter Pension	P2.5 billion
Department of Agriculture	Funding requirements for the implementation of the Philippine Fisheries and Coastal Resiliency Project	P1.5 billion

## Year-on-Year Performance, by Expense Class

For the Month of April 2024

NG disbursements for the month of April 2024 climbed to P494.5 billion, supported by the following expense items:

- MOOE expanded to P92.4 billion, P38.9 billion or 72.5 percent more year-on-year. The sizeable increase was credited to the implementation of various social programs alongside other key government projects and activities:
  - i. Social protection programs of the DSWD, particularly the Social Pension for Indigent Senior Citizens Program wherein the monthly pension for senior citizens doubled to P1,000.00 this year from P500.00 in 2023; and wider coverage of household beneficiaries under the *Pantawid Pamilyang Pilipino* Program (4Ps) including payouts for cash grants and miscellaneous expenses;
  - ii. Transfer of the P15.0 billion requirement of the Coconut Farmers and Industry Trust Fund (CFITF)<sup>2</sup> for the implementation of the Coconut Farmers and Industry Development Plan;
  - iii. Preparatory activities for the 2025 National and Local Elections (NLE) of the Commission on Elections (COMELEC); and

**Table 2. NG Disbursements for the Month of April, 2023 and 2024**

(Amount in billion pesos, unless otherwise indicated)

Expenditure Class	April			
	2023 <sup>a/</sup>	2024	Increase/(Decrease)	
			Amt	%
CURRENT OPERATING EXP.	266.7	357.9	91.2	34.2
Personnel Services	95.5	100.4	4.9	5.2
MOOE	53.6	92.4	38.9	72.5
Subsidy	9.0	27.7	18.8	209.5
Allotment to LGUs	59.3	63.0	3.7	6.2
IP	46.3	67.5	21.2	45.9
TEF	3.2	6.9	3.7	117.8
CAPITAL OUTLAYS	102.1	135.0	32.9	32.2
Infra and Other CO	87.3	118.9	31.6	36.2
Equity	0.0	-	(0.0)	(100.0)
Capital Transfers to LGUs	14.8	16.1	1.3	8.6
NET LENDING	5.1	1.6	(3.5)	(69.3)
<b>TOTAL</b>	<b>373.9</b>	<b>494.5</b>	<b>120.6</b>	<b>32.2</b>

<sup>a/</sup> Adjusted based on the full-year 2023 BTr Cash Operations Report (COR).

<sup>2</sup> Pursuant to RA No. 11524 or the Coconut Farmers and Industry Trust Fund Act.

- iv. Payment for the supply and delivery of pre-printed driver's license cards, motor vehicle (MV) license plates, motorcycle and MV blank metal plates, and Radio Frequency Identification (RFID) stickers, among other projects of the Department of Transportation (DOTr).
- Infrastructure and other capital outlays rose to P118.9 billion, up by P31.6 billion or 36.2 percent year-on-year. The strong infrastructure spending performance was largely on account of the implementation of infrastructure projects of the Department of Public Works and Highways (DPWH), such as the construction, repair and rehabilitation of roads, bridges, and flood control structures; and the construction of administrative, hospital, and multi-purpose buildings. Similarly, the release of local counterpart funds for various DOTr foreign-assisted projects and the implementation of capital outlays projects under the RAFPMP of the DND contributed to the substantial growth of infrastructure expenditures in April.
  - Interest payments leaped to P67.5 billion, increasing by P21.2 billion or 45.9 percent year-on-year. The large uptick was due to 1) variation in the timing of payments<sup>3</sup>, additional issuances, and coupon payments for Fixed Rate Treasury/Benchmark Bonds; 2) coupon payment for Retail Dollar Bonds; and 3) effect of higher treasury bill and foreign interest rates.
  - Subsidy increased to P27.7 billion, P18.8 billion or 209.5 percent more year-on-year on account of the releases to the 1) Power Sector Assets and Liabilities Management Corporation for the implementation of the *Murang Kuryente* Act; 2) National Irrigation Administration (NIA) for the implementation of irrigation projects/activities; and 3) National Housing Authority for its various resettlement and housing programs as well as projects for calamity victims.
  - Combined allotment and capital transfers to LGUs amounted to P79.1 billion, up by P4.9 billion or 6.7 percent year-on-year mainly due to the higher National Tax Allotment (NTA) shares of LGUs for this year resulting from the recovery of tax revenues in 2021 – the base year for which the actual FY 2024 NTA shares were determined<sup>4</sup>.
  - Personnel services (PS) expenses reached P100.4 billion, P4.9 billion or 5.2 percent more year-on-year. The increase was attributed to the higher clothing allowance of NG employees (from P6,000.00 in 2023 to P7,000.00), as well as the bigger employer contributions to PhilHealth and Home Development Mutual Fund (Pag-IBIG Fund) this year. The payment for terminal leave and retirement benefits in various agencies also contributed to higher PS spending.

Meanwhile, net lending declined to P1.6 billion, or by P3.5 billion or 69.3 percent year-on-year. This was due to the lower NG advances to the National Food Authority (NFA) for the debt servicing of both its short-term and long-term loans. Some P4.9 billion was released to NFA in April 2023, higher when compared to the P1.4 billion release for the same period this year.

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<sup>3</sup>Original payment schedule on March 29-30, 2024 was moved to April 1, 2024.

<sup>4</sup>Based on the Supreme Court (SC) Ruling on the Mandanas Case, LGUs shall have a forty percent (40%) share in the national tax revenues based on the collection of the third fiscal year preceding the current fiscal year. This was a modification of Section 284 of the Local Government Code of 1991 (Republic Act No. 7160) after the SC declared the phrase "internal revenue" as unconstitutional.

For the Period January to April 2024

NG spending for the first four months of 2024 rose to P1,700.9 billion. Disbursements for the period were buoyed by the following expenditures:

- i. Interest payments due to 1) coupon payment for various bond issuances including Global Bonds as well as new loan availments; 2) higher volume and interest rates on Treasury bills; and 3) impact of foreign exchange and Secured Overnight Financing Rate (SOFR) fluctuations on foreign borrowings;
- ii. Infrastructure and other capital outlays owing primarily to the implementation of various road infrastructure programs and defense modernization projects of the DPWH and DND, respectively;

iii. Maintenance spending with the sizable disbursements for social protection programs of the DSWD, release of the P15.0 billion CFITF requirement for 2024, as well the operating requirements/expenditures of various NG agencies; and

iv. Transfers to LGUs due to their larger NTA shares and releases for their prior year's special shares from the proceeds of national taxes, particularly on tobacco excise taxes.

**Table 3. NG Disbursements for the Period January to April, 2023 and 2024**  
(Amount in billion pesos, unless otherwise indicated)

Expenditure Class	January to April			
	2023 <sup>a/</sup>	2024	Increase/(Decrease)	
			Amt	%
CURRENT OPERATING EXP.	1,105.0	1,276.5	171.5	15.5
Personnel Services	394.2	412.9	18.7	4.7
MOOE	248.5	290.8	42.3	17.0
Subsidy	30.3	47.3	17.0	56.3
Allotment to LGUs	236.3	251.7	15.4	6.5
IP	188.2	260.5	72.3	38.4
TEF	7.5	13.3	5.8	78.2
CAPITAL OUTLAYS	352.7	423.2	70.5	20.0
Infra and Other CO	284.0	335.7	51.7	18.2
Equity	0.1	0.2	0.1	80.6
Capital Transfers to LGUs	68.6	87.3	18.6	27.1
NET LENDING	5.7	1.1	(4.6)	(80.6)
<b>TOTAL</b>	<b>1,463.5</b>	<b>1,700.9</b>	<b>237.4</b>	<b>16.2</b>
<b>Memo item:</b>				
Infrastructure Disbursements <sup>b/</sup>	346.9	409.7	62.7	18.1

<sup>a/</sup> Adjusted based on the full-year 2023 BTr Cash Operations Report (COR).

<sup>b/</sup> Include estimated NG infrastructure disbursements, and infrastructure components of subsidy and equity to GOCCs and transfers to LGUs.

### Outlook for the Rest of the Year

As of April 30, 2024, the remaining balance from the P5,767.6 billion obligation program for the year amounts to P809.2 billion<sup>5</sup> or 14.0 percent. For the month of May 2024 alone<sup>6</sup>, some P88.6 billion worth of allotments have been issued, composed largely of the following releases:

DEPARTMENT/GOCC	PURPOSE	AMOUNT (In billion pesos)
DPWH	Various capital outlays, mostly to cover the loan proceeds requirements of foreign-assisted projects for the 2nd to 4th Quarters of FY 2024	P46.9 billion
	Additional funding requirements for the routine maintenance of national roads and bridges, nationwide	P6.0 billion
DND	Funding requirements for projects of the Philippine Navy under the RAFPMP	P2.8 billion
Bureau of Fire Protection	Procurement of firetrucks and emergency medical equipment chargeable against the eighty percent (80%) share in fire code revenues <sup>7</sup>	P2.9 billion

<sup>5</sup> Net of the releases for FY 2023 Continuing Appropriations, Unprogrammed Appropriations, and other Automatic Appropriations accommodated within the total obligation program.

<sup>6</sup> Based on SARO Listing for the period May 1 to 31, 2024. Generated from the DBM eBudget System.

<sup>7</sup> Pursuant to Section 13 of Republic Act No. 9514, otherwise known as the Fire Code of the Philippines.

<b>DEPARTMENT/GOCC</b>	<b>PURPOSE</b>	<b>AMOUNT (In billion pesos)</b>
NIA	Additional funding for the implementation of Jalaur River Multipurpose Project Phase II	P2.1 billion
DOTr	Loan Proceeds requirement for the implementation of the Cebu Bus Rapid Transit Project	P1.6 billion
Technical Education and Skills Development Authority	Funding requirements for the implementation of the Supporting Innovation in the Philippine Technical and Vocational Education and Training System Project	P1.6 billion
Philippine National Police	Funding requirements for the construction of new building of the PNP National Headquarters (Phase 1)	P1.0 billion

Based on preliminary bank data, robust disbursement performance is expected to be sustained in May with a strong two-digit growth rate vis-a-vis the 0.9 percent expansion recorded for the same month last year. Further releases are anticipated in the succeeding months as line agencies submit their special budget requests to implement their respective programs, activities, and projects. These will consequently accelerate the pace of government spending for the rest of the year.

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