

NATIONAL GOVERNMENT DISBURSEMENT PERFORMANCE

AS OF MARCH 2025¹

National Government (NG) disbursements for the month of March 2024 reached P622.2 billion, increasing by P138.4 billion or 28.6 percent year-on-year. The robust spending performance was attributed largely to higher maintenance and other operating expenses (MOOE), transfers to LGUs, infrastructure and other capital outlays, interest payments, and personnel services (PS) expenditures. This drove disbursements for the first three months of the year to P1,444.2 billion, P237.8 billion or 19.7 percent more than the spending for the comparable period in 2024.

Figure 1. National Government Disbursements for the Period Indicated
Amounts in billion pesos, unless otherwise indicated

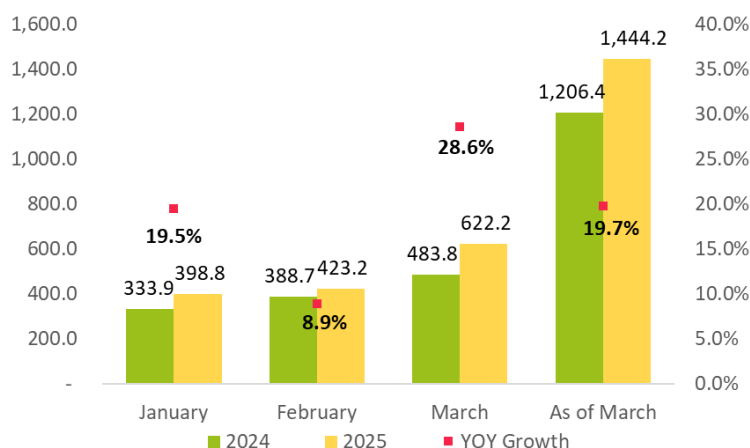


Table 1. Comparison of NCA and Non-NCA Disbursements, 2024-2025

(Amount in billion pesos, unless otherwise indicated)

Particulars	As of February				March				As of March			
	2024	2025	Inc/(Dec)		2024	2025 ^{a/}	Inc/(Dec)		2024	2025 ^{a/}	Inc/(Dec)	
			Amt	%			Amt	%			Amt	%
NCA ^{b/}	513.4	571.9	58.5	11.4	387.2	514.5	127.3	32.9	900.6	1,086.4	185.9	20.6
<i>% of Eff. NCA</i>	<i>83.5%</i>	<i>79.6%</i>			<i>110.2%</i>	<i>124.0%</i>			<i>93.2%</i>	<i>95.9%</i>		
Non-NCA	209.2	250.1	40.9	19.6	96.7	107.7	11.0	11.4	305.8	357.8	51.9	17.0
TOTAL	722.5	822.0	99.5	13.8	483.8	622.2	138.4	28.6	1,206.4	1,444.2	237.8	19.7
Memo Item												
Effective NCAs issued net of Trust Liabilities, Gross of Working Fund												
As of February				March				As of March				
	2024	614.8			2024	351.4			2024	966.2		
	2025	718.2			2025 ^{a/}	414.8			2025 ^{a/}	1,133.0		
Allotment Releases ^{c/}												
As of March 2024		4,798.8 ^{d/}	83.2% of the P5,767.6 billion obligation program									
As of March 2025		5,107.3 ^{d/}	80.7% of the P6,326.3 billion obligation program									

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

^{a/} Adjusted based on the revised March 2025 disbursement figures in the BTr COR.

^{b/} NCA disbursements pertain to negotiated checks.

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

^{d/} Includes other releases coming from the Prior Year's Continuing Appropriations, Unprogrammed Appropriations, and/or Other Automatic Appropriations.

By type of disbursements, cash disbursements or those issued with Notice of Cash Allocations (NCA) in March 2025 expanded to P514.5 billion, up by P127.3 billion or 32.9 percent year-on-year owing mainly to larger MOOE, transfers to local government units (LGUs), and payment of accounts payables. Non-NCA disbursements, likewise, grew to P107.7 billion, up by P11.0 billion or 11.4 percent year-on-year on account of higher interest payments, withholding taxes from government transactions recorded via the

¹ The report was originally published on June 10, 2025. This updated version reflects the adjustment made in the expenditure section of the Cash Operations Report for March 2025 as updated on the Bureau of the Treasury website. The National Government disbursements for March 2025 were revised to P622.2 billion due to trust transactions. This resulted in lower maintenance and other operating expenses. The other expense items were not affected.

Tax Remittance Advice,² and net lending. Year-to-date, NCA disbursements reached P1,086.4 billion, up by P185.9 billion or 20.6 percent year-on-year, while Non-NCA disbursements amounted to P357.8 billion, up by P51.9 billion or 17.0 percent year-on-year.

Allotment Releases

Total allotment releases as of March 31, 2025 amounted to P5,107.3 billion, equivalent to 80.7 percent of the P6,326.3 billion obligation program for the year. For the month of March 2025, some P717.7 billion worth of allotments were released, composed largely of the following big-ticket items:

DEPARTMENT/GOCC	PURPOSE	AMOUNT (In billion pesos)
Department of Public Works and Highways	Various capital outlays projects	P570.2 billion
National Irrigation Administration	FY 2025 subsidy for the construction of irrigation systems nationwide	P33.4 billion
Department of National Defense	To cover the funding requirements for the increase in the Subsistence Allowance of military personnel	P16.7 billion
	2 nd Quarter Pension	P14.3 billion
Department of Social Welfare and Development (DSWD)	<i>Ayuda sa Kapos ang Kita</i> Program	P26.2 billion
National Food Authority	To cover the conversion of National Government advances into subsidy	P6.3 billion
Commission on Higher Education	Universal Access to Quality Tertiary Education - Free Higher Education	P5.5 billion
Office of the President	To cover the funding requirements for the Philippine hosting of the Association of Southeast Asian Nations (ASEAN) Summits and Related Meetings in 2026	P5.4 billion
Philippine Crop Insurance Corporation	FY 2025 subsidy for the implementation of agricultural insurance for farmers and fisherfolks listed in the Registry System for Basic Sectors in Agriculture	P4.5 billion
Department of Information and Communications Technology	Free Public Internet Access Program	P2.5 billion

² Document which agencies issue/file with the Bureau of Internal Revenue (BIR) to report and record remittances (constructive payment) of all taxes withheld from transactions. This serves as basis for the BIR and Bureau of the Treasury (BTr) to record as income, the tax collection and deposit in their books of accounts.

Year-on-Year Performance, by Expense Class

For the Month of March 2025

NG disbursements in March 2025 amounted to P622.2 billion. The notable 28.6 percent expansion was broad-based, where all major expense items exhibited significant increases.

- MOOE rose to P168.5 billion, higher by P69.1 billion or 69.5 percent year-on-year. This was credited mostly to the sizable disbursements posted for the following programs:
 - i. *Pantawid Pamilyang Pilipino* Program (4Ps), Protective Services for Individuals and Families in Difficult Circumstances, and Social Pension for Indigent Senior Citizens Program of the DSWD;
 - ii. P29.0 Rice Project and Rice-for-All Program of the Department of Agriculture;
 - iii. Universal Access to Quality Tertiary Education - Free Higher Education of the Commission on Higher Education (CHED) and State Universities and Colleges (SUCs);
 - iv. Training of poll workers and other election-related expenses of the Commission on Elections (COMELEC) for the 2025 midterm elections; and
 - v. Medical Assistance for Indigent and Financially Incapacitated Patients Program and National Health Workforce Support System of the Department of Health.

Likewise, the transfer of the capitalization requirement of the Coconut Farmers and Industry Trust Fund contributed to higher MOOE in March this year.³

- Combined allotment and capital transfers to LGUs rose to P101.1 billion, P21.1 billion or 26.4 percent more year-on-year. This was mainly due to the higher National Tax Allotment (NTA) shares of LGUs for FY 2025 and higher Annual Block Grant to the Bangsamoro Autonomous Region and Muslim Mindanao.
- Infrastructure and other capital outlays increased to P113.5 billion, up by P17.2 billion or 17.9 percent year-on-year, resulting from the Department of Public Works and Highways' (DPWH) aggressive implementation of FY 2025 infrastructure projects which saw an increase in the payment of progress billings (i.e., partially-completed works) and accounts payables, Right-of Way settlements, and the release of final payments and retention releases for completed projects. Examples of these projects include the 1) design, build, and construction of bridges; 2) flood management/control projects; 3) construction of administration/office buildings, health facilities, and air passenger terminal building; 4) road rehabilitation; and 5) construction of access roads and/or bridges under the Convergence and Special Support Program.
- Interest payments climbed to P88.1 billion, up by P17.2 billion or 24.2 percent year-on-year and attributed to the 1) timing of coupon and loan payments as 2025 payment was made in March whereas 2024 payment was made in April; 2) new issuances of Fixed Rate Treasury/Benchmark

Table 2. NG Disbursements for the Month of March, 2024 and 2025

(Amount in billion pesos, unless otherwise indicated)

Expenditure Class	March			
	2024 ^{a/}	2025 ^{b/}	Increase/(Decrease)	
			Amt	%
CURRENT OPERATING EXP.	370.8	481.7	110.9	29.9
Personnel Services	125.7	136.8	11.1	8.9
MOOE	99.4	168.5	69.1	69.5
Subsidy	6.9	10.6	3.8	54.7
Allotment to LGUs	63.1	75.5	12.5	19.7
IP	70.9	88.1	17.2	24.2
TEF	4.8	2.1	(2.7)	(56.6)
CAPITAL OUTLAYS	113.5	140.0	26.5	23.3
Infra and Other CO	96.3	113.5	17.2	17.9
Equity	0.2	0.8	0.6	262.1
Capital Transfers to LGUs	17.0	25.6	8.6	51.0
NET LENDING	(0.5)	0.6	1.0	(223.1)
TOTAL	483.8	622.2	138.4	28.6

^{a/} Adjusted based on the full-year 2024 BTr Cash Operations Report (COR).

^{b/} Adjusted based on the revised March 2025 disbursement figures in the BTR COR.

³ Pursuant to RA No. 11524 or the Coconut Farmers and Industry Trust Fund Act.

Bonds; 3) higher volume of Treasury Bill issuances; and 4) impact of foreign exchange and foreign interest rate fluctuations.

- PS expenditures went up to P136.8 billion, higher by P11.1 billion or 8.9 percent year-on-year largely on account of the implementation of the 2nd tranche of salary adjustments of qualified civilian government employees pursuant to Executive Order (E.O.) No. 64 dated August 2, 2024.⁴ This included releases for salary differentials, loyalty pay, and terminal leave benefit claims of employees in various agencies.

For the Period January to March 2025

NG disbursements for the first quarter of 2025 reached P1,444.2 billion, growing by P237.8 billion or 19.7 percent year-on-year. The major drivers of spending growth for the period were:

- MOOE (up by P92.4 billion or 46.6%),
- Interest payments (up by P48.0 billion or 24.9%),
- Infrastructure and other capital outlays (up by P45.0 billion or 20.8%),
- Allotment to LGUs (up by P36.3 billion or 19.2%), and
- PS expenses (up by P13.5 billion or 4.3%).

On the other hand, capital transfers to LGUs contracted by P7.0 billion or 9.8 percent year-on-year owing to the variation in the timing or schedule of releases for the Special Shares of LGUs in the Proceeds of National Taxes (SSPNT), particularly for tobacco excise taxes. Requirements for this year are programmed at the beginning of the second semester. In contrast to 2024, some P21.0 billion was already released in February. This was only partially offset by releases for the shares of concerned LGUs from SSPNT – National Wealth and Value-Added Tax, as well as the higher development fund of LGUs representing the 20.0 percent of their NTA shares.

NG spending remained a key driver of the 5.4 percent economic performance during the first quarter of the year, where Government Final Consumption Expenditure or the disbursements made for the delivery goods and services, including personnel services expenses grew by 18.7 percent. Meanwhile, public construction where government investments in infrastructure and other capital outlays projects are accounted for, expanded by 8.2 percent. When combined, government spending contributed almost 3.0 percentage points to the 5.4 percent GDP growth last quarter.

Table 3. NG Disbursements for the Period January to March, 2024 and 2025
(Amount in billion pesos, unless otherwise indicated)

Expenditure Class	January to March			
	2024 ^{a/}	2025 ^{b/}	Increase/(Decrease)	
			Amt	%
CURRENT OPERATING EXP.	918.6	1,116.7	198.1	21.6
Personnel Services	312.5	326.1	13.5	4.3
MOOE	198.4	290.8	92.4	46.6
Subsidy	19.6	22.6	3.0	15.3
Allotment to LGUs	188.7	225.0	36.3	19.2
IP	193.0	241.0	48.0	24.9
TEF	6.4	11.3	4.9	76.0
CAPITAL OUTLAYS	288.2	326.9	38.7	13.4
Infra and Other CO	216.8	261.8	45.0	20.8
Equity	0.2	0.9	0.6	268.7
Capital Transfers to LGUs	71.2	64.2	(7.0)	(9.8)
NET LENDING	(0.5)	0.6	1.0	(223.1)
TOTAL	1,206.4	1,444.2	237.8	19.7
Memo item:				
Infrastructure Disbursements ^{c/}	266.3	317.5	51.2	19.2

^{a/} Adjusted based on the full-year 2024 BTr Cash Operations Report (COR).

^{b/} Adjusted based on the revised March 2025 disbursement figures in the BTr COR.

^{c/} Include estimated NG infrastructure disbursements, and infrastructure components of subsidy and equity to GOCCs and transfers to LGUs.

⁴ Entitled "Updating the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of an Additional Allowance, and for Other Purposes"

Disbursement Outlook

As of end-March 2025, the program balance from the P6,326.3 billion obligation program for the year amounted to P1,219.0 billion⁵ or 19.3 percent of the total program. Based on preliminary report of allotment releases for April 2025,⁶ some P73.1 billion worth of allotments were issued during the said month which included the following big-ticket items:

DEPARTMENT	PURPOSE	AMOUNT (In billion pesos)
Philippine National Police	2 nd and 3 rd Quarter Pension	P21.7 billion
Bureau of the Treasury	FY 2025 Net Lending	P21.5 billion
Land Bank of the Philippines	To cover the payment of just compensation to various landowners under the Comprehensive Agrarian Reform Program	P6.0 billion
Philippine Veterans Affairs Office	2 nd Quarter Pension	P2.5 billion
Department of Education	Additional PS requirements for CY 2025	P1.7 billion
SUCs	Universal Access to Quality Tertiary Education - Free Higher Education	P1.6 billion

For the second quarter, disbursements are seen to pick up towards the end of May as the election-related ban on public works and spending ends. Among the anticipated spending drivers for the period are, as follows:

- i. Mid-year bonus of government employees;
- ii. Expenses of the COMELEC for the conduct of the 2025 midterm elections, such as the allowances/honoraria of teachers and poll workers;
- iii. DPWH payables for completed/partially-completed capital outlay projects of the DPWH;
- iv. Social protection programs, such as the Assistance to Individuals in Crisis Situation Program and *Ayuda sa Kapos ang Kita* Program of the DSWD; and
- v. Universal Access to Quality Tertiary Education - Tertiary Education Subsidy of the CHED.

The implementation of massive infrastructure projects, governance reforms and investments in human capital are expected to sustain the strong spending performance recorded in the first quarter. This will hopefully help translate to improved economic growth for the rest of the year.

⁵ Net of the releases for FY 2024 Continuing Appropriations, Unprogrammed Appropriations, and other Automatic Appropriations accommodated within the total obligation program.

⁶ Based on SARO Listing for the period April 1 to 30, 2025. Generated from the DBM eBudget System.