



Q4
2021

The *DBM* QUARTERLY REPORT



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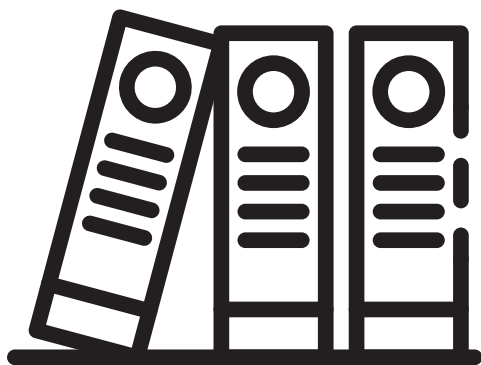
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ACTION DOCUMENT RELEASING SYSTEM LAUNCHED

The Department of Budget and Management (DBM) officially launched on October 1, 2021 the pilot implementation of the Action Document Releasing System (ADRS), a web-based application which facilitates the release of approved DBM action documents, such as the Special Allotment Release Order (SARO) and Advice of Notice of Cash Allocation Issued (ANCAI), in digital format directly to the authorized users of recipient agencies.


Prior to the launch of the ADRS, the digitization of SAROs was adopted by the DBM through the DBM SARO Viewer, a web-based application which facilitates the release of approved SAROs in digital format.

Consistent with the provisions of DBM Circular Letter (CL) No. 2021-8 dated August 18, 2021, the DBM SARO Viewer was scaled up into the ADRS to facilitate not only the release of SAROs, but also other approved DBM action documents. This initiative aims to eliminate the unnecessary steps of printing, physical signing, and forwarding of documents within the Department, and releasing of printed action documents to authorized department/agency liaison officers.

To further ensure the smooth implementation of the ADRS, 3,785 authorized users from the pilot agencies were trained on the use of the system. On November 10-11, 2021, the DBM organized three sessions of the ADRS Online *Kumustahan* to provide updates on the ADRS implementation and solicit feedback from 1,304 attendees.

The DBM aims to fully implement the adoption of ADRS by the first quarter of FY 2022, in line with the President's directive in his FY 2020 State of the Nation Address to streamline government processes and undertake transactions online for ease of doing business.

Fourteen (14) pilot Departments/Agencies have completed their online training on the use of the ADRS:

-  Department of Budget and Management
-  Commission on Audit
-  Department of Environment and Natural Resources
-  Department of Education
-  Department of Finance
-  Department of Health
-  Department of Information and Communications Technology
-  Department of the Interior and Local Government
-  Department of National Defense
-  Department of Public Works and Highways
-  Department of Science and Technology
-  Department of Social Welfare and Development
-  National Commission for Culture and the Arts
-  Presidential Communications Operations Office

VIRTUAL SUPPLIERS' CONFERENCE HELD



The DBM-Bids and Awards Committee (DBM-BAC) organized a virtual Suppliers' Conference free of charge for suppliers, service providers for goods and services, and consulting services from 52 companies.

Held last October 8, 2021, the whole-day conference focused discussions on procurement and payment processes in the DBM and updates on the Government Procurement

Reform Act (Republic Act No. 9184) and its 2016 revised Implementing Rules and Regulations. The program was divided into two sessions, Public Bidding in the morning and Small Value Procurement in the afternoon.

The following topics were discussed during the conference: **(1)** FY 2022 Indicative Annual Procurement Plan; **(2)** Standard Bidding Procedures and Documentary Requirements for Public Bidding; **(3)** Standard Procedures and Documentary Requirements for Small Value Procurement; and **(4)** Payment Process.

“Here at the DBM, everyone is welcome to participate in our procurement activities as long as you are eligible. We really encourage many participants to join our procurement activities as part of promoting competition and to ultimately get the most advantageous terms for the government.”

Aaron Alberto Escalona
Chief of the DBM Administrative Service-
Procurement Management Division

MOU FOR CONVERGENCE PROGRAM SIGNED

The DBM inked a Memorandum of Understanding (MOU) with the Philippine Council for Industry, Energy and Emerging Technology Research and Development (PCIEERD) of the Department of Science and Technology (DOST) and fellow members of PCIEERD's governing council. The MOU for Convergence Program aims to foster scientific and technological collaboration among the members in order to strengthen S&T efforts of the government and maximize investments and resources for research and development initiatives.

The PCIEERD's governing council will serve as a policy-making body and is tasked to ensure the comprehensive evaluation and approval of the project and program proposals identified by the PCIEERD for funding geared towards the realization of scientific and technological benefits for the country.



“The DBM is pleased to be part of this Convergence Program which is meant to foster innovation and collaboration between and among DOST-PCIEERD and the PCIEERD Governing Council. I am confident that this MOU for the Convergence Program will not only promote a deeper and meaningful collaboration between the DOST and the members of the Governing Council, but will also provide the much-needed boost to engage, foster, and develop scientific and technological collaboration to strengthen our efforts toward optimizing investments and impact of research and development initiatives among government agencies.”

Assistant Secretary Cristina Clasara
Department of Budget and Management

98.6%
OF THE
BUDGET
RELEASED
AS OF END-
NOVEMBER

As of November 30, 2021, the DBM has released **Php4.441 trillion, or 98.6 percent of the Php4.506 trillion FY 2021 National Budget, leaving a balance of Php64.84 billion for the rest of the year. This is lower than the 100.0% recorded for the same period in 2020.**

For more information, the status of allotment releases as of November 30, 2021 may be accessed through the DBM website.



PFMCP UNDERGOES DIGITIZATION

In order to continue the government's capacity building efforts for its PFM workforce, the DBM is taking the progressive step towards learning and development with the digitization of the Public Financial Management Competency Program (PFMCP).

While the COVID-19 pandemic heightened the need for its digitization and accelerated its shift to the digital platform, the plans had already been in the pipeline since the PFMCP's inception in 2015.

On November 9-16, 2021, a total of 24 subject matter experts (SMEs) whose coverage and material are suited for the digital platform participated in a training of trainers to enhance their aptitude and skills. The SMEs were selected from the University of the Philippines-National College of Public Administration and Governance (UP-NCPAG) and various offices of the DBM.

Meanwhile, the pilot run for the digital Budgeting and Performance Track (BPT) was conducted from November 29 to December 10, 2021 and was attended by select PFM practitioners from the Philippine Marine Corps (PMC), Department of Agrarian Reform (DAR), Manila International Airport Authority (MIAA), and the National Mapping and Resource Information Agency (NAMRIA) who have already completed the digital Foundation Track of the PFMCP.

To enhance the program and its mode of delivery, the participants were asked during the pilot run to critique and comment on areas suitable to them as PFM practitioners.

By 2022, the DBM aims to have the digital PFMCP publicly available through the select SUC partners under its twinning arrangement.

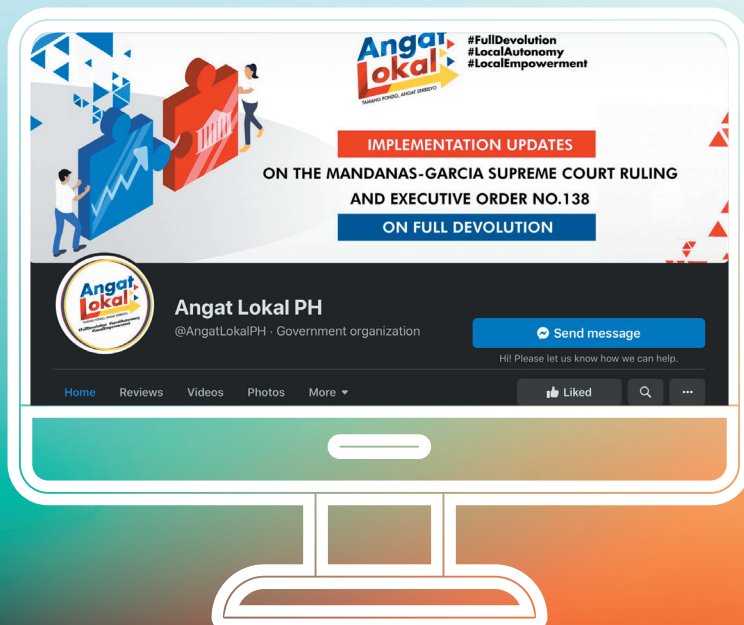
ANGAT LOKAL FACEBOOK PAGE LAUNCHED

In support of the devolution process of the Government, the Sub-Committee on Communications Strategy, established by virtue of Section 35 of the Implementing Rules and Regulations (IRR) of Executive Order (EO) No. 138, launched its national policy information campaign drive dubbed as *Angat Lokal*.

The communications strategy aims not only to address information gaps, particularly on frequently raised issues and questions, but also to promote a whole-of-government approach for the campaign.

In November 2021, a Facebook Page for the *Angat Lokal* campaign was launched to ensure that the devolution efforts of the Government are communicated to the general public. In view of improved accessibility and utilization of social media and the various digital platforms for information campaigns, the Page is crucial to widen the reach of the campaign and gain traction for its other communication efforts.

The Page provides an overview of the Mandanas-Garcia ruling, and discusses its implications and impact on the different stakeholders involved, namely the National Government, the NGAs, the LGUs and the Filipino people.



Angat Lokal
#FullDevolution #LocalAutonomy
#LocalEmpowerment

FY 2021 GAA EXTENDED UNTIL END-2022



The FY 2021 General Appropriations Act, the first pandemic-era National Budget, has been extended until December 31, 2022 after President Rodrigo Roa Duterte signed into law Republic Act No. 11640 on December 31, 2021.

Under the 2021 GAA, the PhP4.5 trillion budget was originally set to expire by December 31, 2021, and any unspent funds by this date would have to be reverted back to the National Treasury. This is because the government observes a cash-based budgeting system, which requires government agencies to spend all allotments within the fiscal year.

With the extended validity period, appropriations authorized in the 2021 spending plan, including budgetary support to government-owned and -controlled corporations (GOCCs) and financial assistance to local government units (LGUs), will be available for release, obligation, and disbursement until the end of December 2022, except for funds for personnel services.

In addition, funds for infrastructure capital outlays, including those subsidy releases to GOCC for infrastructure, can now be obligated, completed and paid out until December 31, 2022.

The extension is intended to complement the country's recovery efforts, allowing the government to provide more social services and implement more projects for the benefit of the Filipino people and to aid in the country's economic recovery.

TYPHOON ODETTIE RELEASES TO LGUS TOTAL PHP6.85 BILLION

The DBM released, as of December 28, 2021, a total of PHP6.85 billion financial aid to local government units (LGUs) that bore the brunt of typhoon Odette, said to be the strongest tropical cyclone that hit the country this year.

In particular, the financial assistance was distributed to the following affected LGUs which were declared under a state of calamity:

- Region IV-B (MIMAROPA)
- Region VI (Western Visayas Region)
- Region VII (Central Visayas Region)
- Region VIII (Eastern Visayas Region)
- Region X (Northern Mindanao)
- Region XIII (Caraga)

The funding requirement was charged against the FY 2021 Unprogrammed Appropriations and shall be recorded as trust receipts, which implies that the fund can only be used by the recipient LGU for the provision of assistance to those affected by the damages caused by Typhoon Odette. It shall be released directly by the Bureau of the Treasury to the concerned local government units (LGUs) through their respective authorized government servicing banks.

Based on the Report of the Disaster Response Operations Monitoring and Information Center (DROMIC) on the number of affected families/persons and on damages incurred on infrastructure and agriculture sectors, the DBM computed and released the following allocations for the respective regions:

(in million pesos)

Region	Allotment Released on December 24, 2021	Allotment Released on December 27, 2021	Allotment Released on December 28, 2021	LGU TOTAL
TOTAL	1,000.00	1,000.00	4,854.36	6,854.36
IV-B	171.57	84.38	198.21	454.16
VI	207.25	248.35	1,633.34	2,088.94
VII	188.31	202.66	1,038.61	1,429.58
VIII	142.50	115.43	964.10	1,222.03
X	122.99	84.37	156.02	363.38
XIII	167.38	264.81	864.08	1,296.27

Figures may not add up due to rounding off

SERVICE RECOGNITION INCENTIVE FOR GOV'T EMPLOYEES GRANTED



President Rodrigo R. Duterte has authorized the grant of a one-time Service Recognition Incentive (SRI) for Fiscal Year (FY) 2021, at a uniform amount not exceeding PhP10,000 for each qualified government employee.

The Department of Budget and Management (DBM) issued on December 28, 2021 Budget Circular No. 2021-4 containing the guidelines on the grant of the SRI for government employees for FY 2021.

Under Administrative Order No. 45 signed by President Duterte on December 24, 2021, the incentive will be received by workers in national government agencies, including those in state universities and colleges and government-owned or -controlled corporations (GOCCs), and those occupying "regular, contractual, or casual positions."

Military and police personnel, as well as staff and officials of the Bureau of Fire Protection, the Bureau of Jail Management and Penology, the Bureau of Corrections, the Philippine

Coast Guard, and the National Mapping and Resource Information Authority will also get the incentive.

Furthermore, only personnel still in government service and those who have rendered at least four months of service as of November 30, 2021 will receive the cash incentive. Employees who have rendered less than four months of service are entitled to a pro-rated share of the SRI.

The incentives for national government agency employees will come from the available released personnel service allotments of the respective agencies under the 2021 budget while those for workers of state-run firms will be sourced from their respective approved corporate operating funds.

The SRI is granted to government employees to recognize and further encourage their unwavering commitment and dedication in providing public service. It is also meant to reward them for their collective and unceasing participation and invaluable contribution to the Government's continuing efforts towards the establishment of streamlined government processes, especially amid the COVID-19 pandemic.

CONTRACTUAL, JOB ORDER GOV'T WORKERS TO RECEIVE ONE-TIME GRATUITY PAY



On December 29, 2021, President Rodrigo Duterte signed Administrative Order (AO) No. 46 granting a one-time gratuity pay for all Job Order (JO) and Contract of Service (COS) workers who have rendered at least four months of satisfactory performance of services as of December 15, 2021, and whose contracts are still effective as of the same date. Those who served for less than four months will still receive gratuity pay on a pro rata basis.

COS and JO government workers will receive up to PhP5,000 in gratuity pay in recognition of their invaluable service, especially those who were part of the emergency COVID-19 response efforts.

Those who have rendered less than four months of service as of December 15, 2021 shall be granted the Gratuity Pay on a pro-rata basis, as follows:

Length of Service	Amount of Gratuity Pay
3 months or more but less than 4 months	Not exceeding PhP4,000
2 months or more but less than 3 months	Not exceeding PhP3,000
Less than 2 months	Not exceeding PhP2,000

The order shall cover workers whose services are engaged by national government agencies (NGAs), state universities and colleges (SUCs), government-owned or -controlled corporations (GOCCs), and local water districts (LWDs).

Funding for COS and JO workers in NGAs and SUCs will be sourced from their respective maintenance and other operating expenses (MOOE) allotment for the same program, activity or project (PAP), but agencies may also modify the allotment issued within a PAP in case of deficiency. On the other hand, funding for GOCCs and LWDs will be sourced from their respective approved corporate operating budgets.

The order also enjoined local governments to adopt the grant of gratuity pay to their COS and JO workers. The supplemental budget for the gratuity pay shall be enacted by local councils within the year.

The DBM issued on December 31, 2021 the budget circular for the effective implementation of AO No. 46.

FY 2022 GAA SIGNED

President Rodrigo R. Duterte signed into law on December 30, 2021 the **PhP5.024 trillion National Budget for FY 2022, the Duterte Administration's last full-year budget.**

The PhP5.024 trillion budget is the country's largest national budget to date, larger by 11.5 percent than the FY 2021 budget.

Bearing the theme *"Sustaining the Legacy of Real Change for Future Generations,"* the FY 2022 Budget aims to make true of President Rodrigo Roa Duterte's campaign promise of real change and make positive and lasting impact to the lives of the Filipinos. It is set to inspire actions that focus on building resilience amidst the pandemic, sustaining the momentum towards recovery, and continuing the legacy of infrastructure development.

Top 10 Departments

(in billion pesos)

Rank	Agency	Allocation
1	Education (DepEd, CHED, SUCs, TESDA)	788.5
2	Department of Public Works and Highways (DPWH)	786.6
3	Department of Health (DOH) and PhilHealth	268.4
4	Department of Interior and Local Government (DILG)	251.3
5	Department National Defense (DND)	220.9
6	Department of Social Welfare and Development (DSWD)	205.0
7	Department of Agriculture (DA) and National Irrigation Administration (NIA)	102.5
8	Department of Transportation (DOTr)	75.8
9	Department of Labor and Employment (DOLE)	51.3
10	The Judiciary	47.0
TOTAL		2,797.3

BANNER PROGRAMS FOR 2022

Pagbabago: Inequality-Reducing Transformation



National Health Insurance Program
PhP80.0 B



Health Facilities Operations Program
PhP56.3 B



Procurement of COVID-19 booster shots
PhP48.2 B



Health Facilities Enhancement Program
PhP23.0 B



Human Resources for Health Deployment
PhP17.0 B



Virology Science and Technology Institute
PhP983 M

Malasakit: Strengthening the Social Fabric



Pantawid Pamilyang Pilipino Program
PhP107.7 B



Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD) Program
PhP26.5 B



Protective Services for Individuals and Families
PhP18.0 B



Basic Education Learning Continuity Plan
PhP14.7 B



Computerization Program
PhP11.8 B



Philippine Identification System
PhP4.8 B



Sustainable Livelihood Program
PhP4.7 B



Reintegration Services Program
PhP52.7 M

Patuloy na Pag-unlad: Increasing Growth Potential



Flood Management Program
PhP129.0 B



Road Network Development Program
PhP127.0 B



Rail Transport Program
PhP23.1 B



Land Public Transportation Program
PhP16.0 B



(c) Presidential Photographers Division



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