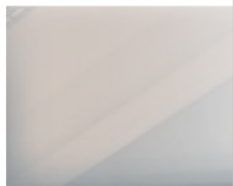
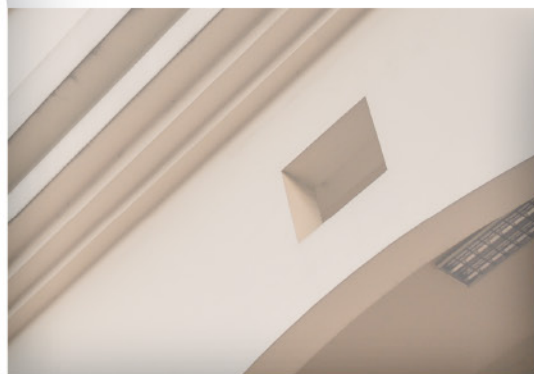




The DBM Quarterly Report



Q1
2022

DEPARTMENT OF BUDGET
AND MANAGEMENT

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FY 2023 Virtual Budget Fora Held

Joined by heads, technical staff, and budget officers from national government agencies (NGAs) and government -owned or -controlled corporations (GOCCs), the Department of Budget and Management (DBM) held the annual Budget Fora last January 26-27, 2022 via the Zoom platform. It also held a separate forum for its employees on January 25, 2022.



As an annual practice to extensively disseminate the rules and regulations on budgeting, the Fora provided the participants updated guidelines and reminders for the formulation and submission of the succeeding year's budget proposals, pursuant to National Budget Memorandum No. 142 (National Budget Call for FY 2023) and Corporate Budget Memorandum No. 44 (Corporate Budget Call for FY 2022).

Specifically, the Fora covered the following topics: (1) Salient Features of the FY 2023 Budget Call; (2) Submission Requirements and Calendar of Activities; (3) and Other Important Reminders for the FY 2023 Budget Preparation.

The DBM Regional Offices likewise held their virtual online Budget Fora to cascade the policies, guidelines, and other pertinent information on the preparation of the FY 2023 Budget to their respective clientele agencies.

"I welcome you to the 2023 budget season. May it be as great as the best budget seasons we have. And I hope that in the process of doing all these things we think tedious, we find the enjoyment that the season of Christmas gave us."

DBM OIC Tina Rose Marie Canda



RA No. 11466 (Salary Standardization Law of 2019)



- authorizes the modification of the Salary Schedule of civilian personnel, to be implemented in four (4) tranches, i.e., from FY 2020 to FY 2023, and the institutionalization of the grant of additional benefits such as the Mid-Year Bonus.

Coverage

NBC No. 588 covers all positions for civilian personnel, whether regular, casual, or contractual in nature, appointive or elective, full-time or part-time, now existing or hereafter created in the Executive, Legislative, and Judicial Branches, the Constitutional Commissions and other Constitutional Offices, SUCs, and GOCCs not covered by RA No. 10149, which are under the jurisdiction of the DBM.

LBC No. 132 covers all positions for salaried LGU personnel, whether regular, contractual, or casual in nature, elective or appointive, full-time or part-time, now existing or hereafter created in LGUs; and all positions for barangay personnel which are paid monthly honoraria.

Third Tranche of Salary Adjustment Implemented

Pursuant to RA No. 11466 or the Salary Standardization Law of 2019, the DBM issued National Budget Circular (NBC) No. 588 and Local Budget Circular (LBC) No. 143 dated January 3, 2022 to prescribe the guidelines, rules, and regulations for the implementation of the third tranche of the Modified Salary Schedule for Civilian Personnel.

The requirements for compensation adjustment for personnel of national government agencies (NGAs) shall be released through the GAA as Allotment Order, chargeable against the respective agency PS budget under the FY 2022 GAA. In case of deficiency, the agency may submit a request to the DBM for release of funds charged to the Miscellaneous Personnel Benefits Fund.

Additional PhP1.185 Billion Released for the SRA of Healthcare Workers

Another PhP1.185 billion was released by the DBM for the payment of the Special Risk Allowance (SRA) of healthcare workers (HCWs) in the front lines of the prolonged fight against the COVID-19 crisis.

The amount was released to the Department of Health (DOH) on January 20, 2022, following President Duterte's approval of the funds on January 14, 2022. It will cover the unpaid SRA of 63,812 HCWs from December 20, 2020 to June 30, 2021.

Overall, the DBM has released a total of **PhP11.856 billion for the SRA of **562,928** HCWs.**



Special Risk Allowance (SRA)

The SRA is an additional benefit received by HCWs, apart from the existing compensations as prescribed under the Magna Carta of Public Health Workers and the DOH-DBM Joint Circular No. 1, series of 2016.



FY 2022 Procurement Forum Conducted

More than 2,000 procurement practitioners, civil society organizations, and development partners gathered in the 4th Annual Procurement Forum held on February 8-10, 2022 via the Zoom platform.

The Forum was conducted by the Government Procurement Policy Board (GPPB), through its Technical Support Office (TSO), to unveil the important role of procurement planning and emphasize budget process linkages.

It also aimed to share insights on procurement policies and strategies to effectively manage procurement activities to increase procurement efficiency.

Carrying the theme *“Strategic Procurement Management through the use of Digital Technology and Adoption of Sustainability Measures: Electronic Government Procurement and Green Public Procurement (GPP) in the Philippines,”* the Forum highlighted Electronic Government Procurement and GPP in its plenary session as responsive procurement strategies to better manage procurement processes and instill sustainability measures in procurement.

“Regardless of our role in the procurement process – whether we are the public servants whose task is to prudently and efficiently procure the goods and services for the government and its agencies, or the general public who serves as the ultimate recipient of the procured goods and services – we all must be informed of and be involved in procurement system.”

OIC Tina Rose Marie Canda



26 DBM Scholars from Australia Awards Short Courses Graduated

Twenty-six employees from the DBM completed short courses offered by the Australia Awards as part of the continuing partnership between Australia and the Philippines to help build the country's next generation of leaders.

“The programs and the academic scholarships such as the BPM Short Course elevated the level of discourse and review in the DBM. Having been taught by experts, our employees are able to speak the same language, which is grounded on a solid BPM foundation. The management side of the DBM is stronger because of this.”

*Director Andrea Celene M. Magtalas,
Administrative Service*

The participants from the DBM had completed programs under the Short Course on Public Sector Project Management and the Training of Trainers on Business Process Management (BPM) for the Review and Re-engineering of Government Processes.

A virtual Joint Closing Ceremony for the Australia Awards programs was also held on February 2, 2022, culminating months of lectures and project planning and implementation.

The event also highlighted the presentation of various Re-Entry Action Plans (REAPs), a mechanism that allows scholars to apply what they have learned through the implementation of a meaningful project in their organization or community and contribute to Philippine development.



PhP7.92 Billion Released for One COVID-19 Allowance

The DBM has released the partial amount of PhP7.92 billion to the Department of Health (DOH) to cover the payment of the One COVID-19 Allowance (OCA), which will replace the Special Risk Allowance (SRA). The amount will benefit 526,727 eligible public and private healthcare workers (HCWs) and non-HCWs involved in the government's response to the COVID-19 crisis.

Of the released amount, PhP4.50 billion is intended for 100,313 DOH plantilla personnel in public hospitals, offices, and rehabilitation centers, including those in military and state university hospitals.

Meanwhile, the remaining PhP3.42 billion is allocated for 426,414 HCWs reporting in local government units and private health facilities, among others.

The benefit shall be given in full amount provided that the health professional physically reports to work for at least 96 hours per month, otherwise the benefit shall be prorated.

Moreover, on top of the PhP7.92 billion lodged under the DOH's budget, an additional PhP42.0 billion can be tapped under Unprogrammed Appropriations for the provision of the OCA this year.



One COVID-19 Allowance (OCA)

The OCA shall be provided to all health workers involved in COVID-19 response in line with the National Action Plan COVID-19 strategy of Prevention, Detection, Isolation, Treatment, Rehabilitation, and Vaccination (PDITR+) strategy.

The public HCWs and non-HCWs refer to:

- 1.** Employees occupying regular, contractual, or casual positions, whether full-time or part time;
- 2.** Workers engaged through a contract of service (COS) and job order (JO) basis, including duly accredited and registered barangay health workers

Under the OCA, frontliners will receive benefits depending on their level of COVID-19 exposure, which is classified into three categories: low risk, moderate risk, and high risk.

COVID-19 Risk Exposure Classification	Rate
High	PhP9,000
Moderate	PhP6,000
Low	PhP3,000

DBM Received New ISO 9001:2015 Certificate of Registration

Following the successful completion of the Reassessment Audit on the Quality Management System, the Department of Budget and Management (DBM) received its new Certificate of Registration from the Certification International Philippines, Inc.

Said certificate, valid from December 2021 to October 2024, was awarded to the DBM for conforming with the ISO 9001:2015 Standard under the areas of policy formulation, preparation of the national budget, management/administration of the national budget, and monitoring and analysis of performance.

The DBM Regional Offices received their copy of the certificate last March 3, 2022 during the Regional Coordination held at the Savoy Hotel Manila.



PFM Practitioners Trained on Digital BPT Track

Around 179 participants from different government agencies and offices have participated in the pilot runs of the Budgeting and Performance Track (BPT) under the digital Public Financial Management Competency Program (PFMCP) as of the first quarter of 2022.

The digital PFMCP's BPT builds on the basic PFM concepts, principles, and tools by applying these in the different phases of the budget cycle towards improving the management and delivery of programs and projects, and engaging citizens in the budget process.

Some 144 participants from four batches completed the BPT 1 track from the Department of Agrarian Reform, National Mapping and Resource Information Authority, Manila International Airport Authority, Philippine Marine Corps, Department of Science and Technology, and UP National College of Public Administration and Governance. Meanwhile, 13 participants took BPT 2, and another 22 participants completed BPT 3.

For BPT 1, participants are taught basic economic and fiscal concepts relevant to government budgeting – its policies, processes, and outputs of the overall budget cycle.

Meanwhile, BPT 2 emphasizes the significance of utilizing different expenditure planning approaches such as the Medium-Term Expenditure Framework and Two-Tier Budgeting Approach and how these are adopted in the Philippines towards macro-economic stability, and program and project effectiveness.

BPT 3, on the other hand, aims to expand PFM competencies by developing budget analytics skills, and knowledge of the different types and uses of analytical techniques, and key budget policies relevant to budget preparation, reporting and monitoring of financial and physical performance of agency programs and projects. The BPT 4 shall likewise be piloted towards the second quarter 2022.

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



PhP3.0 Billion Released for Fuel Subsidy and Discount Programs

The DBM released a total of PhP3.0 billion for the Department of Transportation (DOTr)'s Fuel Subsidy Program and the Department of Agriculture (DA)'s Fuel Discount Program to ease the burden inflicted by skyrocketing oil prices.



Fuel Subsidy Program

(PhP2.5 billion)



Beneficiaries:
377,443

Under the Fuel Subsidy Program, financial assistance amounting to **PhP6,500** will be directly provided not only to affected jeepney drivers, but also to qualified drivers of UV express, mini buses, buses, shuttle services, taxis, tricycles, and other full-time ride-hailing (e.g., transport network vehicle service (TNVS) and motorcycle taxis) and delivery services nationwide.

The identified 377, 443 beneficiaries may claim the subsidy through cash cards from the Landbank of the Philippines.

Fuel Discount Program

(PhP500 million)



Discount:
Max of PhP3,000

The DA's Fuel Discount Program aims to provide fuel discounts to farmers and fisherfolk who own agricultural or fishery machinery, either individually or through organizations.

The fuel discount can be claimed through fuel discount cards (FDCs) which will be issued in partnership with the Development Bank of the Philippines. The FDCs will then be distributed by Regional Field Offices of the DA to eligible beneficiaries.

Finally, the recipients can present their FDCs to the contracted oil companies or gas stations and claim a maximum amount of **PhP3,000** fuel discount.

PhP7.0 Billion Released for PUV Service Contracting Program

The Department of Budget and Management (DBM) has released PhP7.0 billion to the DOTr to expand its Service Contracting Program (SCP) for affected public utility vehicle (PUV) drivers following the consecutive weeks of fuel price hikes.

The SCP aims to provide cash subsidies to affected PUV drivers, while also ensuring the efficiency and safety of public transport services amid the current health and economic crises.

Under the program, operators and drivers of PUVs will receive performance-based incentives based on the number of trips per week, regardless of the number of passengers. Beneficiaries will receive the subsidies through two types of contracts — net cost contracting and gross cost contracting.

Operators of PUVs will be contracted via an agreement based on a plan prepared by the Land Transportation Franchising and Regulatory Board (LTFRB).

To ensure the smooth implementation of the program and the proper distribution of the cash subsidies, the LTFRB will be in partnership with priority local government units to facilitate the broad engagement of public transport cooperatives, associations, or corporations operating within their jurisdiction.



2021 Agency Performance Review (APR) Consultations Conducted

The DBM Regional Office VIII (DBM Ocho) conducted a series of virtual Agency Performance Review (APR) Consultations for FY 2021 consistent with DBM Circular Letter 2018-13.

To kick-off the conduct of the APR on February 24, 2022, Regional Director (RD) Imelda C. Laceras delivered her opening message with a short briefer on the importance of the APR Consultation and the four phases of the budget cycle.

RD Laceras also mentioned that the FY 2021 performance will have a significant impact on the possible level of approved budget in FY 2023 and would also determine the absorptive capacity of the agencies for FY 2022.

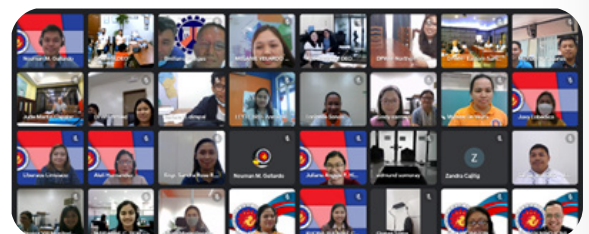
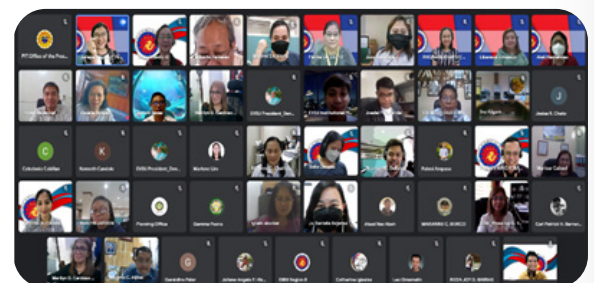
The APR Consultation was conducted to present the FY 2021 Agency Performance and identify issues and courses of action. It also served as an avenue to enable the agencies address concerns that would help improve agency performance in the following reporting period.

The agencies presented their FY 2021 Physical and Financial Accomplishment Reports, the bottlenecks encountered in meeting their targets, as well as the justification for the accomplishments and the catch-up plans.

The DBM Ocho and the agencies reached an agreement based on the agencies' presentation during the consultation, as well as the DBM Ocho's initial findings and recommendations on the submitted FY 2021 APR Reports.

"We have learned lessons from our previous years' performances, and we will continue to improve. The purpose why we are conducting this APR is because we want to engage all our clients in the region to a very productive dialogue."

Regional Director Imelda C. Laceras



Other Issuances

Department Order

◆ **D.O. No. 4, s. 2022** - Guidelines on the Provision of Official Motor Vehicles in the Department of Budget and Management (DBM)

◆ **D.O. No. 5, s. 2022** - Reconstitution of the DBM Crisis Management Committee, and Providing the Establishment of Incident Response Team

◆ **D.O. No. 6, s. 2022** - Amending Department Order No. 6A, s. 2021 Re Updated DBM Organizational Structure

Office Order

◆ **O.O. No. 97, s. 2022** - Creation of DBM Project Team for the Implementation of the Project on the Development of an Electronic Competency Assessment Tool (eCat) for Local Budget Officers (LBOs) under the Asian Development Bank Technical Assistance (ADB-TA)

Local Budget Circular

◆ **L.B.C. No. 142** - Guidelines on the Release and Utilization of the Local Government Support Fund-Financial Assistance to Local Government Units and Support for Capital Outlays and Social Programs under the FY 2022 General Appropriations Act (GAA), Republic Act (RA) No. 11639

◆ **L.B.C. No. 144** - Guidelines on the Release and Utilization of the Local Government Support Fund - Support to Barangay Development Program of the National Task Force to End Local Communist Armed Conflict under the FY 2022 GAA, Republic Act No. 11639

◆ **L.B.C. No. 145** - Guidelines on the Implementation of Personal Services (PS) Limitation on Local Government Budgets and Determination of Waived PS Items Pursuant to Section 93 of the General Provisions (GPs) of the Fiscal Year (FY) 2022 GAA, RA No. 11639, and Years Thereafter



National Budget Circular

◆ **N.B.C. No. 587** - Guidelines on the Release of Funds for FY 2022

Joint Memorandum Circular

◆ **J.M.C. No. 2022-1** - Adoption of a National Asset Management Plan (NAMP) as Part of the Implementation of the Philippine Government Asset Management Policy (PGAMP)

Joint Circular

◆ **J.C. No. 1, s. 2022** - Guidelines in the Release, Disbursement, Monitoring, Accounting and Reporting of Coconut Levy Funds Authorized under Republic Act (RA) No. 11524, otherwise known as the Coconut Farmers and Industry Trust Fund Act

Circular Letter

◆ **C.L. No. 2022-3** - Expanded Implementation of Online Release of Special Allotment Release Orders (SARO) and Advice of Notice of Cash Allocation Issued (ANCAI) through the Action Document Releasing System (ADRS)

◆ **C.L. No. 2022-4** - Processing of Requests for the Monetization of Leave Credits in FY 2022

◆ **C.L. No. 2022-5** - Workshop on the Guidelines in FY 2023 Tagging of Government Expenditures for Climate Change

Budget Circular

◆ **B.C. No. 2022-1** - Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles

Prepared by: Information Management Division
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