

**FISCAL YEAR 2026
PRESIDENT'S VETO
MESSAGE**



MALACAÑAN PALACE
MANILA

05 January 2026

**THE HONORABLE SPEAKER
LADIES AND GENTLEMEN OF
THE HOUSE OF REPRESENTATIVES**

By the power vested in me by the 1987 Constitution, I hereby sign into law Republic Act (RA) No. 12314, the General Appropriations Act (GAA) for Fiscal Year (FY) 2026, entitled:

“AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY ONE, TWO THOUSAND AND TWENTY SIX.”

The FY 2026 National Budget comes at a critical juncture in our nation’s development journey. At the Administration’s midterm, the urgency to deliver on our commitments is clear – foremost among them, reducing poverty to single-digit levels and attaining upper-middle income country status by 2028.

Guided by these goals, we continue to pursue long-term, evidence-based socioeconomic planning, implement strategic reforms to strengthen accountability and oversight, and maintain strict fiscal discipline in public spending. These efforts are built on solid macroeconomic fundamentals, powered by our young and dynamic workforce, and supported by the governance reforms we continue to advance and institutionalize.

The National Budget is our most powerful tool to deliver on our commitments. I, therefore, commend Congress for its close and constructive collaboration with the Executive, fully respecting the separation of powers and distinct constitutional roles, in ensuring that the PHP 6.793 trillion FY 2026 National Budget places the Filipino people at the center of our growth. **This budget reflects our collective resolve and an unprecedented investment in our people: education, health care, agriculture, and social services are at their highest levels in history.** Equally important, it strengthens cooperation between national and local governments to ensure inclusive development reaches every barangay.

Beyond its high multiplier effects, we assure the Filipino people that this is a clean, disciplined, and responsive budget. We laud Congress for the principled exercise of its power of the purse and for the meaningful reforms undertaken to strengthen transparency and accountability throughout the budget authorization process. For the first time, the Bicameral Conference Committee proceedings were televised, allowing the public to

THE PRESIDENT OF THE PHILIPPINES

witness how the proposed budget was reconciled. On the part of the Executive, we undertook a comprehensive review to ensure that the budget complies with the Constitution, that every peso is directed with purpose, and that every program is aligned with national priorities. **As a result, we enacted a National Budget worthy of the trust of the Filipino people and of the aspirations of the next generation.**

Yet the passage of the National Budget is only the beginning. Its true measure lies in execution. **On the part of the Executive, we will implement this budget with discipline, heightened transparency, and constant vigilance. We will ensure that no one takes advantage of public funds, and that only the Filipino people truly benefit.**

We will press forward with reforms that strengthen oversight, sharpen agency performance, modernize public financial management, accelerate government optimization and digitalization, and uphold transparent and accountable procurement. Specifically, we are harnessing cutting-edge technologies, such as public blockchain infrastructure and digital monitoring and evaluation systems to provide citizens with real-time and verifiable updates on the status of projects.

With renewed resolve, and as we prepare to host the 2026 ASEAN Summit, we will mobilize the National Budget as a central tool to build a Bagong Pilipinas where Filipinos can dream bigger, trust their government, and fully benefit from inclusive and sustainable growth.

I. GENERAL COMMENTS

In 2025, our nation faced various challenges – from climate-related disruptions, economic volatility, to global and domestic uncertainties that tested both policy action and public trust.

The government decisively responded to these headwinds by adopting a proactive, citizen-centered approach. We strengthened local agricultural production, calibrated tariffs to stabilize supply, and shielded Filipino families from rising costs, bringing average inflation down to 1.6 percent as of November 2025.

The country's low and stable inflation environment has been cited as a key strength by S&P Global Ratings, which recently reaffirmed the Philippines' 'BBB+' high investment-grade rating with a Positive Outlook. Lower prices, combined with a vibrant labor market, will boost domestic demand and consumption, and support the Philippines' economic growth.

We also recognized that innovation is the backbone of lasting economic stability. By advancing industrial growth, promoting smarter automation, and fostering healthy competition, we elevated our standing in the Global Innovation Index to 50th out of 139 economies. We likewise expanded and institutionalized targeted interventions to boost investor confidence, with the overall business confidence index increasing in the fourth

quarter of 2025 based on the latest Business Expectation Survey of the *Bangko Sentral ng Pilipinas*.

Building on these gains, the FY 2026 National Budget reaffirms our commitment to sustaining economic momentum and institutional integrity. At PHP 6.793 trillion, or 22 percent of GDP, this budget is firmly aligned with the Philippine Development Plan 2023-2028 and AmBisyon Natin 2040 – our roadmap for inclusive growth and shared prosperity.

The FY 2026 National Budget is people-centered. It prioritizes strategic investments in education, health, social welfare, and food security – sectors that deliver lasting economic and social returns and lay the foundation for inclusive development.

Education

Education receives the highest allocation in the 2026 National Budget, amounting to PHP 1.345 trillion or equivalent to 4.36 percent of the country's GDP. This unprecedented level of investment meets the United Nations Educational, Scientific and Cultural Organization's global benchmark for education spending, and will empower the sector to close persistent learning gaps, expand opportunities at all levels, and build a system that honors the dignity, aspirations, and potential of every Filipino.

Consistent with this effort, the creation of 32,916 teaching and 32,268 non-teaching plantilla positions in public schools marks a significant step toward reducing teachers' excessive workload and ensuring the highest quality of teaching and learning.

It is also noteworthy that recent developments in the career progression of our educators are beginning to materialize. Since the enactment of RA No. 12288 or the Career Progression System for Public School Teachers and School Leaders Act on 12 September 2025, more than 16,000 teachers have already been promoted through the Expanded Career Progression System, while 113,000 teachers are set for promotion or reclassification – an acknowledgment of their years of hard work and dedication.

The budget also strengthens the Department of Education's (DepEd) School-Based Feeding Program, benefitting 4.64 million learners from Kindergarten to Grade 6 students, including pregnant adolescent learners and other marginalized and vulnerable students. This will help improve nutrition status, boost attendance, and enhance learning outcomes of our children.

To provide safe and functional learning environments, I fully support the expanded funding for the Basic Education Facilities Program. This will enable the construction of 24,964 classrooms nationwide, closing the backlog and bringing us closer to our goal of 40,000 classrooms by the end of this Administration in 2028.

Health

It has always been my priority to widen Universal Health Care access to our people. I welcome Congress' shared commitment on this priority by providing the healthcare sector its highest budget level ever, amounting to PHP 448.125 billion or 1.45 percent of GDP.

At least PHP 1.0 billion has been allocated to the Department of Health (DOH) Universal Health Care Fund for Zero Balance Billing (ZBB) in LGU hospitals, covering in-patient services in basic accommodations. We will continue to make health services affordable and accessible by providing timely interventions for both communicable and non-communicable diseases. The budget allocates resources for disease surveillance, rapid response mechanisms, and sustainable health financing to protect the welfare of every Filipino.

The budget also covers the hiring of additional 3,017 doctors and 12,593 nurses under the National Health Workers Support Services (NHWSS) to support rural health and improve care delivery nationwide.

The FY 2026 National Budget further strengthens the Philippine Health Insurance Corporation (PhilHealth) with PHP 129.8 billion, including the PHP 60 billion I directed to be restored in September 2025, aligned with the later decision of the Supreme Court. I expect that this expanded fiscal space will enable PhilHealth to fulfill its mandate of reducing out-of-pocket expenses and expanding benefit packages for every Filipino.

Agriculture

The agriculture sector, which serves as the backbone of the resilient and sustainable food systems, receives PHP 297.102 billion or equivalent to about one percent of GDP, demonstrating the Executive and Legislative's shared commitment to boosting food security, modernizing supply systems, and further capacitating farmers and fisherfolk.

Significant investments in Farm-to-Market Roads will improve rural infrastructure, connect farming communities to key economic hubs, reduce transportation costs, and minimize post-harvest losses. These initiatives also reinforce our goal of positioning agriculture as a key driver of export-led growth and a stronger local supply chain.

Social Services

In 2025, we continued to enhance the income-earning capacity of Filipinos through labor initiatives such as wage adjustments, empowering them to earn better and live longer. In 2026, we aim to transform our social protection system, moving beyond short-term relief to address systemic vulnerabilities and promote sustained and inclusive growth.

The social services sector is therefore provided with PHP 270.189 billion or equivalent to about one percent of GDP. We will prioritize social services that directly improve the quality of life of Filipinos, reduce vulnerabilities, protect the welfare of all sectors, and advance human capital development. Through these sustainable flagship programs, this budget drives us toward our goal of lowering the national poverty rate to single-digit levels.

We welcome the provision on Prohibition on Political Involvement in the Distribution of Cash and Other Forms of Financial Assistance as it will ensure that assistance reaches its intended beneficiaries fairly, transparently, and solely on the basis of need. This aims to insulate social protection programs from political patronage and promote transparent, agency-led implementation.

Local Governance

Our Local Government Units (LGUs) are at the forefront of governance, delivering essential services and enhancing the well-being of their constituents through programs responsive to genuine local needs. I commend the significant increase in the allocation to LGUs through the Local Government Support Fund (LGSF), reinforcing LGUs as vital partners of the national government in nation-building.

The LGSF empowers LGUs to address local development challenges, including conflict prevention and recovery, support for local production and livelihoods, creation of safe and resilient communities, and strengthened water security. By expanding fiscal space for low-income LGUs, we ensure that no community is left behind.

Complementing the LGSF, the FY 2026 National Budget likewise provides significant support for LGUs through the Disaster Rehabilitation and Reconstruction Assistance Program under the National Disaster Risk Reduction and Management Fund (NDRRMF), with an allocation of PHP 15.33 billion. This program is intended to assist LGUs in the recovery and reconstruction of local economies and livelihoods affected by natural or human-induced calamities, public health emergencies, armed conflict, and other catastrophic events occurring in the current or two preceding years. Funds shall be utilized for priority rehabilitation and recovery projects - such as shelter and resettlement, public infrastructure, education and health services, agriculture, and social protection - based on approved local rehabilitation and recovery plans, and subject to the LGU's implementation capacity and the approval of the President, taking into account the recommendations of the NDRRMC.

In line with strengthening LGU capacity amid devolution, I likewise issued Executive Order (EO) No. 103, s. 2025, (Amending Executive Order No. 138 [s. 2021] to Extend the Transition Period for the Full Implementation of Devolution of Certain Functions of the Executive Branch to Local Governments, to Provide Additional Policies Therefor, and for Other Purposes). This effectively continues the grant of the Growth Equity Fund (GEF) to assist low-income LGUs in implementing priority programs and projects, addressing fiscal gaps arising from devolution, and augmenting provincial resources for inter-municipal initiatives. The substantial increase provided by Congress

will further promote inclusive development, particularly among our most resource-constrained LGUs.

Military and Uniformed Personnel

This budget likewise underscores our commitment to uphold the welfare of those who safeguard the nation – our military and uniformed personnel – through the implementation of EO No. 107, s. 2025 (Updating the Base Pay Schedule and Increasing the Subsistence Allowance of the Military and Uniformed Personnel), starting in 2026. Through this, we sustain the morale of our dedicated and service-ready workforce committed to the country's sovereignty and territorial integrity.

II. DIRECT VETO

I acknowledge the support of the Congress in limiting the coverage of the Unprogrammed Appropriations (UA), heeding the public's call for transparency and accountability. However, I push further and reduce the same to the bare minimum, at a level that is the lowest since FY 2019, consistent with the true nature of UA as standby appropriations, intended for priorities that are equally urgent and important as those programmed in the GAA.

This reflects the common understanding between the Executive and Legislative Branches that these funds shall be tapped only when absolutely necessary and strictly in accordance with conditions set in this Act.

I assure the Filipino people that we will not allow the UA to be misused or treated as a backdoor for discretionary spending that will exceed our fiscal program and widen our deficit from our original projection. Let me be clear: the UA are not blank checks. Its utilization is provided with safeguards, with the UA only available when clearly defined triggers are met and released only after careful validation. This administration will enforce these safeguards without exception to serve the public interest and advance our national development goals. We will make releases charged from the UA transparent, providing the necessary details on the funding source and the corresponding purpose.

Accordingly, it is imperative that I veto the following items of appropriations with their Purposes and corresponding Special Provisions under the UA:

- **Purpose 1, "Budgetary Support to Government-Owned and/or -Controlled Corporations," Volume I-B, page 680; UA, Special Provision No. 2, "Conversion of National Government Advances into Subsidy for Government-Owned or -Controlled Corporations," Volume I-B, page 679;**
- **Purpose 3, "Government of the Philippines Counterpart of Foreign-Assisted Projects," Volume I-B, page 680;**

- **Purpose 5, “Prior Years’ LGU Shares,” Volume I-B, page 680; UA, Special Provision No. 4, “Prior years’ Local Government Unit Shares,” Volume I-B, page 679;**
- **Purpose 7, “Fiscal Support Arrearages for Comprehensive Automotive Resurgence Strategy (CARS) Program,” Volume I-B, page 680; UA, Special Provision No. 5, “Fiscal Support Arrearages for Comprehensive Automotive Resurgence Strategy (CARS) Program,” Volume I-B, page 679;**
- **Purpose 8, “Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) Program,” Volume I-B, page 680; UA, Special Provision No. 6, “Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) Program,” Volume I-B, page 679;**
- **Purpose 9, “Comprehensive and Adequate Insurance Protection of Strategically Important Government Assets and Interest,” Volume I-B, page 680; UA, Special Provision No. 7, “Insurance Premium for Government Assets,” Volume I-B, page 680; and,**
- **Purpose 10, “For Payment of Personnel Services Requirements,” Volume I-B, page 680.**

As a consequence of the veto of the items of appropriations for the CARS Program and RACE Program per Purpose Nos. 7 and 8, respectively, under the UA as above-indicated, the following related proviso under **UA, Special Provision No. 1, “Availment of the Unprogrammed Appropriations,” Volume I-B, page 679**, is likewise hereby subjected to veto:

“In the case of fiscal support arrearages for Comprehensive Automotive Resurgence Strategy (CARS) Program and Revitalizing the Automotive Industry for Competitiveness Enhancement (RACE) Program, the issuance of SARO is required for book entry purposes chargeable against Purpose Nos. 7 and 8, respectively.”

The veto of these items is a measured exercise of Executive authority to rebuild public trust in the budget process, by ensuring that public funds are expended in clear service of national interests. I direct all concerned departments and agencies of the national government to exercise prudent fiscal management to ensure uninterrupted quality public service.

I specifically note that the scheduled increases in benefits of our civil servants, including our military and uniformed personnel, are part of programmed expenditures and will not be affected by the veto of the pertinent purpose of the UA. The same is also true for the Government’s counterpart funding for ongoing foreign-assisted projects that are lodged within the concerned departments to ensure continuous implementation of our flagship projects that will provide greater benefit to our people. Likewise, insurance of

government assets and interest may continuously be funded using available agency appropriations, or if necessary, to be augmented through other available sources as may be determined by the Department of Budget and Management (DBM).

I am retaining the three remaining purposes of the UA to ensure that our obligations and commitments to implement foreign-assisted projects and public-private partnerships can be readily complied with upon meeting the strict conditions set for such purposes. I also stress the imperative to advance support for the continuing implementation of the Revised AFP Modernization Program as soon as additional resources become available as we continue to strengthen our national defense posture to protect our sovereignty and guarantee the safety and security of our people.

The Government will mobilize all available mechanisms to ensure optimal utilization of the budget. Should additional funding requirements arise during the fiscal year that cannot be supported by this budget, I trust that the Congress will support the Executive in enacting the necessary supplemental appropriations upon satisfactory compliance with the requisites laid down under the Constitution.

III. CONDITIONAL IMPLEMENTATION

I stand firm in my constitutional duty to ensure the faithful execution of laws, and in this Administration's reignited commitment to promote the prudent use of public funds. Therefore, I hereby condition the implementation of the following provisions in this Act to conform to existing laws, policies, rules, and regulations:

A. STRICT ADHERENCE TO LAWS, POLICIES, RULES, AND REGULATIONS

1. Quick Response Fund

Under RA No. 10121 (The Philippine Disaster Risk Reduction and Management Act of 2010), the Quick Response Fund (QRF) serves as a stand-by fund for relief and recovery programs in order that the situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies may be normalized as quickly as possible.

Considering the very nature of the QRF, I place **Department of National Defense (DND)-Office of Civil Defense (OCD), Special Provision No. 1, "Quick Response Fund," Volume I-A, page 1343**, under conditional implementation requiring the DND-OCD to ensure that in the utilization of the QRF, priority shall be given to the quick relief and recovery programs and projects for affected communities. Conversely, the construction of logistics hubs and procurement of drones for disaster assessment, among other disaster risk reduction or mitigation, prevention, preparedness activities, reconstruction and other work or services, shall primarily be sourced from the DND-OCD's regular

budget or the National Disaster Risk Reduction and Management Fund, as applicable.

2. Engineering and Administrative Overhead Expenses

Consistent with RA No. 8150 (The Public Works and Highways Infrastructure Program Act of 1995), appropriations for infrastructure projects authorized in this Act shall be used solely for project implementation which shall include direct Engineering and Administrative Overhead (EAO) expenses incidental thereto, including but not limited to, salaries of employees who may be hired for the duration of the project, office supplies, and similar operational costs.

Accordingly, to strengthen internal controls in the incurrence of EAO expenses as enumerated under **Budgetary Support to Government Corporations (BSGC)-Department of Energy (DOE)-National Electrification Administration (NEA), Special Provision No. 1, "Subsidy to the National Electrification Administration," Volume I-B, page 596**, the NEA shall be guided by RA No. 8150 and other pertinent laws, rules, and regulations.

3. Payment of Retirement Benefits and Pensions

RA No. 11059 (The Retirement Law of the Office of the Ombudsman) governs the entitlement to retirement benefits of select officials and employees of the Office of the Ombudsman. Hence, the implementation of **Office of the Ombudsman, Special Provision No. 6, "Retirement of the Ombudsman, Deputy Ombudsman or the Special Prosecutor," Volume I-B, page 570** shall be in accordance with Section 2 of RA No. 11059 as to the required term for the enjoyment of the relevant retirement and other benefits. This requisite is highlighted in the immediately preceding Special Provision on the Release of Payment of Retirement Benefits and Pensions which expressly states that the payment of retirement benefits and pensions shall be "subject to the computation and conditions prescribed in applicable retirement laws, rules and regulations."

4. Capacity Development Programs

In recognition of their invaluable contribution and dedication to public service, Contract of Service (COS) and Job Order (JO) workers across government agencies are granted ancillary benefits of overtime pay, reimbursement of travel expenses for official travel, and flexible work arrangement, pursuant to Civil Service Commission (CSC)-Commission on Audit (COA)-Department of Budget and Management (DBM) Joint Circular (JC) No. 1 dated December 15, 2025 (The Revised Rules and Regulations on the Engagement of the COS and JO Workers in the Government).

In addition, the same JC prescribes, among others, that agency heads shall provide support programs to enhance the welfare of the COS and JO workers, such as review sessions to prepare them for the civil service exams, and training programs to improve their job-related skills, etc., subject to existing budgeting, accounting, and auditing rules and regulations.

Therefore, the implementation of **Department of Agriculture (DA)-Office of the Secretary (OSEC), Special Provision No. 16, "DA-REACH Program Component of the Other ESETS Activities," Volume I-A, page 82** shall be subject to CSC-COA-DBM JC No. 1 and to pertinent budgeting, accounting, and auditing rules and regulations, and the issuance of guidelines for the purpose by the DA in coordination with the DBM.

5. Foreign Service Posts

The National Government remains steadfast in fostering and safeguarding the interest of Filipinos abroad by providing the familiar warmth and comfort of home through our foreign service posts. However, in continuing its mission of quality public service delivery to Filipinos abroad, the implementation of **Department of Foreign Affairs (DFA)-OSEC, Special Provision No. 3, "Building Fund," Volume I-A, page 1047**, shall be subject to the updated guidelines to be issued by the DFA, Department of Finance, and DBM, and to pertinent budgeting, accounting, and auditing laws, rules, and regulations.

B. SHARED FISCAL RESPONSIBILITY

Section 29 (1) of Article VI of the 1987 Constitution states that no money shall be paid out of the Treasury except in pursuance of an appropriation made by law. Relatedly, Section 32, Chapter 5, Book VI of EO No. 292, s. 1987 (The Administrative Code of 1987) provides that all moneys appropriated for functions, activities, projects, and programs shall be available solely for the specific purposes for which these are appropriated.

Hence, as in previous years, I am placing **Congress of the Philippines, Special Provision No. 6, "Availability of Appropriations and Cash Allocations," Volume I-A, page 14** under conditional implementation to emphasize that the use and disbursements of funds shall be for the specified purposes and within the period of availability as prescribed under the General Provision on Cash Budgeting System in this Act.

IV. GENERAL OBSERVATION

Keeping in mind our earnest pursuit to achieve economic recovery and sustainable growth, aided by the efficient and effective use of government resources, I hereby convey my stance on the implementation of certain provisions in this Act, as follows:

A. ORGANIZATIONAL STRUCTURE

I place my unwavering trust in Congress for its proper execution of **Congress of the Philippines, Special Provision No. 2, "Organizational Structure of the Senate, the House of Representatives, the Senate and House of Representatives Electoral Tribunals and the Commission on Appointments," Volume I-A, page 14.**

The laws, policies, rules, and regulations on organization, position classification, and compensation are adopted to ensure a stable organizational structure across all government agencies. Hence, the responsibility to comply therewith, including pertinent budgeting, accounting, and auditing laws, rules, and regulations, rests upon all branches of the government.

B. COMPLIANCE WITH EXISTING LAWS, POLICIES, RULES, AND REGULATIONS

1. School-Based Feeding Program

The reciprocal and crucial relationship between nutrition and education cannot be overemphasized, with school-based feeding programs significantly impacting both health and academic performance. Accordingly, in the implementation of **Department of Education (DepEd)-OSEC, Special Provision No. 25, "School-Based Feeding Program (SBFP)," Volume I-A, page 278,** the DepEd shall comply with the relevant provisions of RA No. 11037 (The *Masustansyang Pagkain para sa Batang Pilipino Act*). Moreover, the participation of LGUs as implementing partners of the program shall be subject to the General Provision on Implementation of Nationally Funded Projects in this Act.

2. Medical Scholarship and Return Service Program

It cannot be denied that aspiring doctors in the Philippines face high costs for medical education. In response, the Commission on Higher Education (CHED) Medical Scholarship and Return Service Program offers scholarships to talented students who cannot afford medical school.

In this regard, to ensure equitable implementation, **Other Executive Offices (OEO)-CHED, Special Provision No. 8, "Medical Scholarship and Return Service Program in State Universities and Colleges," Volume I-B,**

page 419 shall be implemented in accordance with Section 20 of RA No. 11509 (The *Doktor Para sa Bayan* Act), which partly provides that utmost priority shall be given to regions with low doctor-to-population ratios.

3. PAyapa at MASaganang PamayaNAn Program

Consistent with EO No. 158, s. 2021 (Strengthening the Policy Framework on Peace, Reconciliation and Unity, and Reorganizing the Government's Administrative Structure for the Purpose), aimed at attaining a just, comprehensive, and sustainable peace, it is understood that in the execution of **OEO-Office of the Presidential Adviser on Peace, Reconciliation and Unity (OPAPRU), Special Provision No. 1, "PAyapa at MASaganang PamayaNAn Program," Volume I-B, page 486**, the OPAPRU shall continue to perform its crucial function of overseeing the status of programs and projects undertaken by government agencies and instrumentalities as part of the implementation of the comprehensive peace process, such as, but not limited to, the PAyapa at MASaganang PamayaNAn (PAMANA) Program.

4. Residential Care Services to Vulnerable Groups by Accredited Social Welfare and Development Agencies

Accredited social welfare and development agencies are tapped by the government, through the Department of Social Welfare and Development (DSWD), to support the provision of residential care services. A Social Welfare and Development Agency or SWDA is a non-stock, nonprofit corporation, organization, or association engaged in providing, directly or indirectly, social welfare and development programs and services to its intended clients. On this note, it should be clarified that the implementation of **DSWD-OSEC, Special Provision No. 8, "Residential Care Services to Vulnerable Groups by Accredited Social Welfare and Development Agencies," Volume I-B, page 233**, shall be in accordance with the General Provision on Fund Transfers to Civil Society Organizations in this Act.

5. Implementation of Infrastructure Projects

I continue to give priority and support to infrastructure projects, which is one of the key drivers of our economy. Relative thereto, the General Provision on Implementation of Infrastructure Projects prescribes rules on the implementation of infrastructure projects under this Act. Consequently, it must follow that the infrastructure projects of government-owned or -controlled corporations (GOCCs) shall similarly be in accordance therewith. Hence, **BSGC-Others-Special Provisions Applicable to All GOCCs, Special Provision No. 6, "Implementation of Infrastructure Projects", Volume I-B, page 641** shall make reference and be subject to the above-mentioned General Provision.

6. Programs and Projects Related to Senior Citizens and Persons with Disability

I commend the inclusive policy set forth under **Section 36, General Provisions, “Programs and Projects Related to Senior Citizens and Persons with Disability,” Volume I-B, page 699**, directing all national government agencies, GOCCs, and LGUs to provide qualified Filipino Sign Language (FSL) interpreters and accessible materials for all public transactions, services and facilities involving the deaf, consistent with the objectives of RA No. 11106 (The Filipino Sign Language Act). It is now acknowledged that inclusivity goes beyond the recognition of the rights of all persons with disabilities – it should, more importantly, enable all citizens, regardless of ability, to take part in nation-building.

Nevertheless, it must be clarified that the provision of qualified FSL interpreters can be accomplished by capacitating existing personnel through learning and development programs. Accordingly, compliance with the requirements under this General Provision may not necessarily entail the creation of additional plantilla positions.

V. EXPENDITURES INCURRED PRIOR TO THE APPROVAL OF THE FY 2026 GAA

As I approve the FY 2026 GAA today, I likewise acknowledge that by operation of law, the FY 2025 GAA was deemed re-enacted and remained in force and effect until 04 January 2026. In this regard, the DBM shall consider the expenditures lawfully incurred under the re-enacted budget in formulating its fund release guidelines for FY 2026.

VI. INCREASES IN APPROPRIATIONS AND NEW BUDGETARY ITEMS

In the exercise of the budget execution function vested upon the Executive Branch, it is understood that the increases in appropriations and new budgetary items introduced by the Congress in this Budget shall be subject to the national government’s cash programming, observance of prudent fiscal management, applicable budget execution rules and procedures, and approval by the President based on the programmed priorities of the government.

Considering that such increases in appropriations and new budgetary items will have corresponding effects on the outputs and outcomes of the agencies concerned, the DBM shall inform the said agencies of the changes in their respective appropriations and require the submission of their revised performance targets.

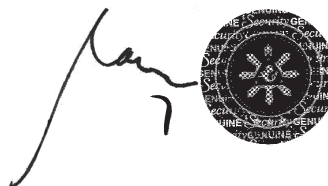
VII. CLOSING STATEMENT

The FY 2026 National Budget reflects our strong commitment not only to meet the needs and aspirations of the Filipino people today, but also to nurture future-ready generations who will carry our nation forward.

Guided by the hard lessons of recent fiscal years, this budget charts a renewed and more disciplined course—anchored on prudent fiscal management, targeted and evidence-based investments, and reforms that ensure public resources are translated into real, measurable improvements in the lives of our people. **It corrects inefficiencies, strengthens institutions, and ensures that government spending serves the people, fully and faithfully.**

As we step into 2026, guided by transparency, strengthened by accountability, and driven by the principle that every peso must serve the Filipino, I am confident that, through the FY 2026 GAA, we will uplift our people, fortify our institutions, and lead the nation towards a Bagong Pilipinas we all deserve.

Very truly yours,



Copy furnished:

SENATOR VICENTE C. SOTTO III
Senate President
Senate of the Philippines
GSIS Bldg., Pasay City

THE HEAD
Presidential Legislative Liaison Office
2/F New Executive Building
Malacañang, Manila



