



Republic of the Philippines  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
Malacañang, Manila

**CIRCULAR LETTER**

**NO. 2015 - 6**


**Date: May 15, 2015**

**TO : All Heads of Departments/Agencies; Finance Directors; Budget Officers; Heads of Accounting Units and All Others Concerned**

**SUBJECT : Conduct of the Tier 2 Technical Budget Hearings for the FY 2016 Budget Levels**

- 1.0 As part of the consultation process in formulating the Tier 2 of the FY 2016 budget levels, DBM shall conduct the Technical Budget Hearings (TBH) for budget proposals of departments and agencies **starting May 18, 2015** at the Boncodin Hall, General Solano St., San Miguel, Manila.
- 2.0 The TBH shall cover **new and expanded** programs and projects per submitted Budget Preparation (BP) Form Nos. 206 – New or Expanded Program/Project Proposal for Locally-Funded Project and Foreign-Assisted Project, 206A – Profile and Requirements of New Programs/Locally-Funded Projects and 206B – Requirements of New Foreign Assisted Projects.
- 3.0 Heads of departments may choose to attend the TBH, however, they may instead send an Undersecretary (USEC) or Assistant Secretary (ASEC) as their representative provided he is in a position to respond to issues that may be raised and make commitments on behalf of his/her department. In the case of Other Executive Offices, agencies under CFAG and those that are similarly situated, the respective Agency Heads are encouraged to attend the TBH.
- 4.0 The TBH Panel/s shall be comprised of DBM representatives (Budget Preparation Task Force) and other offices, such as NEDA, Climate Change Commission (CCC) and MITHI sector clusters (for ICT programs and projects) as may be necessary. In cases where the presentation of the budget proposal of the department to be heard is led by a USEC or an ASEC, a DBM Senior Official shall head the TBH panel.
- 5.0 The following guidelines shall be observed by the departments/agencies in presenting and justifying their budget proposals:
  - 5.1 In presenting the Budget Proposal, the following time limits shall be observed:

- 5.1.1 Maximum of 45 minutes – for the Department budget (including attached agencies).
- 5.1.2 Maximum of 30 minutes – for Agency budget by the Heads of OEOs, CFAG and agencies similarly situated.
- 5.2 Discussions will be focused on the following, among others:
- 5.2.1 Justification of the proposed new spending proposals or expansion of existing/ongoing programs/projects, using as basis the information and guide questions per BP Form 206. Aspects of the proposals to be considered/taken up during the TBH, will include among others: Rationale (situational background); Strategy and Delivery Methodology; Prioritization or Ranking of Programs/Projects; Beneficiaries and Clients; Accountability Structure; Costing; Performance Management; Monitoring and Evaluation and Risk Management;
- 5.2.2 Justification on the proposed realignments of Hard Budget Ceilings for Forward Estimates under Tier 1 across PAPs, if any; and
- 5.2.3 Proposed Special Provisions
- 6.0 The departments/agencies shall be informed of their respective TBH schedules. A separate TBH shall be conducted for the following key priority programs with inter-agency involvement, including specific programs such as PAMANA and CARP. The lead department/agency of a Program Budget shall present the objective, components and the implications of the funding requirements in the budget of the participating departments/agencies.
- 6.1 Good Governance and Anti-Corruption
- Digitization of Financial Management Operations
- 6.2 Human Development and Poverty Reduction
- Pantawid Pamilyang Pilipino Program
  - Universal Health Care Program
  - Housing for Resettlement from Danger Areas
  - Education Program
- 6.3 Economic Development
- Transport Infrastructure Program
  - Agriculture Development Program
  - Manufacturing Revival Program
  - Tourism Development Program
- 6.4 Climate Change Risk Resiliency
- 7.0 For compliance.

  
**FLORENCIO B. ABAD**  
Secretary