



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Department of Finance
National Economic and Development Authority

JOINT CIRCULAR No. 2017 - 1
June 30, 2017

TO : All Heads of Departments, Agencies, Bureaus, Offices, Commissions, State Universities and Colleges, Government-Owned and Controlled Corporations, Other Instrumentalities of the National Government, and all Others Concerned

SUBJECT : NATIONAL GOVERNMENT FISCAL CALENDAR

1.0 RATIONALE

The 0+10-Point Socioeconomic Agenda of the Duterte Administration mandates a substantial increase in infrastructure and social services spending to support the thrust for inclusive development. While large increases in maintenance outlays and capital expenditures are planned, underspending, especially in capital outlays, has been significant in the last years.

Based on the discussions with the ten major departments with largest underspending in 2014, the main culprit for underspending was the pervasive organizational weaknesses within national government agencies and Government Owned- and Controlled Corporations (GOCCs) which hampered their ability to execute programs well and spend fast. These include the following:

- Poor planning and program/project design, including delays in complying with preconditions for release (e.g., network plans);
- Procurement difficulties, including frequent bid failures, weak capacity and delays in finalizing specifications, and weak operational planning; and
- Bottlenecks in program or project implementation which include difficulties in securing clearances or permits, coordination problems, right of way and other legal issues, delays in billing and approval of suppliers' claims, and weak Local Government Unit (LGU) implementation capability, among others.

Given these, there is a need to build up planning capacities to strengthen the link between the Philippine Development Plan (PDP), the strategic plans of the agencies and the budget; and improve and firm up agency operational plans prior to the commencement of the Budget Execution.

A helpful input to the building of this results orientation in the bureaucracy is a synchronized schedule of activities throughout the budget cycle—planning, preparation and legislation, execution, and accountability—which would clearly lay out the schedule of activities of both the oversight and implementing agencies in support of each other. Also, the setting in place of promotive and complementing PFM reforms would reduce the duplication of, and simplify the efforts of oversight and implementing agencies. Hence, the crafting of the National Government Fiscal Calendar (Annex A) by the Departments of Budget and Management (DBM), and Finance (DOF) and the National Economic and Development Authority (NEDA) which agencies are mandated to follow.

2.0 PURPOSE

The National Government Fiscal Calendar aims to address the following:

- 2.1 To strengthen the link between planning and budgeting through the establishment of a unified calendar of fiscal activities in the national government, complemented by a unified schedule of publications and reports;
- 2.2 To determine and delineate the responsibilities of the three oversight agencies, and the implementing agencies and offices concerned relative to the conduct of fiscal activities;
- 2.3 To clarify for the Public Financial Management (PFM) personnel the recommended timetable of activities/ processes from planning to budgeting to execution to accountability reporting, including procurement activities;
- 2.4 To synchronize the schedule of the fiscal activities conducted by national government agencies, oversight offices and executive committees; and
- 2.5 To enable the public to hold the government and its agencies accountable for diligently implementing their fiscal responsibilities.

3.0 COVERAGE

This Joint Circular shall cover all Departments, Agencies, Bureaus, Offices, Commissions, State Universities and Colleges, Government Owned- and Controlled Corporations and Other Instrumentalities of the National Government.

4.0 DEFINITION OF TERMS

For the purpose of this Joint Circular, terms are defined in the attached Annex B.

4.0 NATIONAL GOVERNMENT FISCAL CALENDAR

- 4.1 The PFM activities of all national government agencies and oversight offices shall be guided by the timelines set in the attached Fiscal Calendar.

- 4.2 Hence, coordination between and among agencies and offices are strongly encouraged to ensure the fulfillment of the activities within the period indicated in the Fiscal Calendar.

5.0 ROLES AND RESPONSIBILITIES

5.1 Departments and agencies shall:

- 5.1.1 Undertake all the fiscal activities in accordance with the approved Fiscal Calendar;
- 5.1.2 Submit all the required fiscal reports and data requirements to the offices concerned, i.e., oversight agencies, executive committees and Congress. Fiscal Reports and data requirements include, but are not limited to, budget accountability reports, budget execution documents, operational plans, budget proposal forms, inputs to the crafting of the Socioeconomic Report (SER) and PDP; and
- 5.1.3 Inform the DBM or the offices concerned of the possible developments and changes in the schedule of fiscal activities for the former offices' consideration and proper action.

5.2 The Department of Budget and Management (DBM) shall:

- 5.2.1 Ensure that all budgeting and procurement activities indicated in the Fiscal Calendar shall be undertaken in accordance with the schedule;
- 5.2.2 Spearhead the timely and quality preparation of fiscal planning and accountability reports (i.e., Statement of Fiscal Policy, the Medium-Term Fiscal Strategy, the DBCC Mid-Year and Year-End Reports and other DBCC documents) in cooperation with the DOF, NEDA, OP and other offices concerned;
- 5.2.3 Ensure the complete and timely submission/publication of the budget and DBCC documents based on the schedule indicated in the Fiscal Calendar;
- 5.2.4 Update existing budget issuances in accordance with the Fiscal Calendar; and,
- 5.2.5 Update the Fiscal Calendar to incorporate significant developments and changes in the fiscal and budget system, in coordination with the NEDA, DOF and OP.

5.3 The Department of Finance (DOF) shall:

- 5.3.1 Ensure complete and timely release and publication of the National Government Cash Operations Report;
- 5.3.2 Spearhead the preparation of the Fiscal Risks Statement (FRS);
- 5.3.3 Provide relevant inputs during the preparation of fiscal planning and accountability reports (i.e., Statement of Fiscal Policy, Medium-Term

Fiscal Strategy, DBCC Mid-Year and Year-End Reports, and other DBCC documents) in accordance with the schedule indicated in the Fiscal Calendar; and,

5.3.4 Coordinate with the DBM with regard to developments and changes in the schedule of activities concerning the DOF.

5.4 The National Economic and Development Authority (NEDA) shall:

5.4.1 Spearhead the necessary activities for the formulation/preparation of development planning and investment programming reports (i.e., Philippine Development Plan, Three-Year Rolling Infrastructure Program, Public Investment Program, Core Investment Programs and Projects, Socio-Economic Reports) and other documents;

5.4.2 Ensure complete and timely submission of said documents to the Office of the President, NEDA Board, Investment Coordination Committee, Congress, and other reviewing and approving bodies concerned;

5.4.3 Provide relevant inputs during the preparation of the Statement of Fiscal Policy, Medium-Term Fiscal Strategy, Fiscal Risks Statement, DBCC Mid-Year and Year-End Reports and other DBCC documents in accordance with the schedule indicated in the Fiscal Calendar; and,

5.4.4 Coordinate with the DBM with regard to developments and changes in the schedule of activities concerning the NEDA.

6.0 This Circular shall take effect immediately.


BENJAMIN E. DIOKNO

Secretary

Department of Budget and Management




CARLOS G. DOMINGUEZ

Secretary

Department of Finance




ERNESTO M. PERNIA

Socioeconomic Planning Secretary

National Economic and Development Authority

National Government Fiscal Calendar

Legend:

CuY	Current Year
BY	Budget Year (Current Year + 1 year)
FoY	Forward Year (Budget Year + 1 year)
PY	Prior Year (Current Year - 1 year)

PLANNING

Schedule	Activity	Concerned Offices
August	Preparation/Updating of Strategic Plans for the three FoYs in preparation of the succeeding budget, including PPMPs	Agencies
	Issuance of call for submission/ Issuance of notice of the Three-Year Rolling Infrastructure Program (TRIP)	NEDA
	Submission of inputs for the formulation/review of PDP/PIP for the medium-term for six FoYs to NEDA, including status of PPMP preparation	Agencies
September	Crafting/Review of the Philippine Development Plan for the medium-term and Issue Planning Guidelines and letters to Agencies for inputs (every three years)	NEDA
	Submission of Statement of Fiscal Policy for BY to Congress (every three years)	DBCC
	Preparation/Updating of the Medium-Term Regional Development Plans for FoYs	NEDA/RDC
September to November	Submission of TRIP inputs for the three FoYs to NEDA, including status of PPMP preparation	Agencies
October to December	Review/processing and incorporation of the submitted programs/projects into a consolidated TRIP	NEDA
	Finalization of Strategic Plans for three FoYs, including PPMPs	Agencies
November	Conduct of Sector planning by cabinet clusters (including InfraCom)	President and Cabinet
	Notation of the report on status of Strategic CIPs	NEDA Board
December	Presentation of TRIP to INFRACOM for approval/confirmation; Submission of approved TRIP to DBM	NEDA
	Securing of approval of TRIP for three FoYs by the President (every three years)	DBCC
January	Submission of MT PDP document to the President for approval	NEDA
	Conduct of formulation activities for the Medium-Term PIP/CIP consistent with the PDP (every six years), including PPMPs	NEDA
March	Submission of Medium-Term Fiscal Strategy to Congress (to be updated annually)	DBCC
July	Issuance of call for updating of the PIP/CIP (starting 2018)	NEDA

Notes on intermittent activities:

1. The PDP preparation is undertaken every six years following the Presidential Election. The approved PDP is reviewed after the third year.
2. The TRIP is prepared and approved in the year following the Presidential Election, and then another round after three years. The three-year approved TRIP is updated every year.
3. The Statement of Fiscal Policy is prepared and approved in the year following the Presidential Election, and then another round after three years.
4. The preparation of Project Procurement Management Plans (PPMPs) together with project preparation will help in ensuring implementation-ready projects.

National Government Fiscal Calendar

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BUDGET PREPARATION AND LEGISLATION

Schedule	Activity	Concerned Offices
January	Conduct of review/assessment of agencies' PY actual performance based on available actual data and/or full year estimate/outlook as input to Tier I of BY	Agencies
	Submission of Tier I Proposals with Forward Estimates for BY to DBM	Agencies
	Submission of RDC recommendations to agencies for BY	DBM
	Preparation of initial PPMP (or prior to January); Submission of indicative APP for Tier I of BY to DBM	Agencies
	Conduct of Budget Fora for Tier 1 of BY	DBM, Agencies
	Submission of Socio-Economic Report to DBM for PY	NEDA
February	Submission of PY Obligations and CuY Appropriation to DBM	Agencies
	Consultation with various stakeholders including CSOs	DBM
	Conduct of dialogues on regional budget by the RDC-ACO	DBM
	Conduct of TBH and ERB for Tier I of BY	DBM, Agencies
March	Confirmation of Tier I budget; Issuance of BPF with Tier I ceilings for BY	DBM
	Approval of the Budget Priorities Framework and sector ceilings for BY	Cabinet
	ICC and NEDA Board Approval of Capital Projects for inclusion in the Budget Proposal	President & Cabinet
April	Conduct of Budget Fora for Tier II of BY	DBM, Agencies
May	Program Convergence; Pinning down of new/expanded spending; Submission of Tier II budget proposals for BY to DBM	Agencies
	Submission of indicative PPMP and APP for Tier II of BY to DBM	Agencies
	Conduct of TBH, SCPPA, and ERB for Tier II of BY	DBM
	Approval of the final Medium-Term macroeconomic assumptions and fiscal program for BY	DBCC
June	Confirmation of Tier II budget for BY in coordination with Agencies	DBM
	Approval of the Proposed National Budget for BY	Cabinet
	DBCC approval and publication of the Fiscal Risks Statement	DBCC
July	Finalization and printing of budget documents including Fiscal Risks Statement for BY	DBM
	Submission of BY Budget to Congress	Office of the President
August	Publication of the NEP for BY in DBM website and provision of copies to agencies	DBM
August to November	Conduct of budget deliberations in Congress and Senate	Congress
December	House and Senate ratification of GAB; Enactment of GAA for BY	Congress
	Issuance of FoY Budget Call including the Forward Estimates (FE) guidelines	DBM
	Submission to DBM of PIP/CIP Report and list of ICC approved projects as input to the FoY Budget Process	NEDA
	Approval of the MT Macroeconomic assumptions and Fiscal Program	DBCC

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BUDGET EXECUTION

Schedule	Activity	Concerned Offices
January	Start of awarding of contracts; submission of adjusted BEDS (based on GAA) for CuY	Agencies
	Submission to GPPB of the revised and approved APP for CuY; GPPB to post the same on website	Agencies, GPPB
	Submission to DBM of revised performance targets due to changes in GAA	Agencies
	Second submission of updated APP of PY, if any	Agencies
	Release of NCAs for first semester of CuY	DBM
February to March	Approval of quarterly fiscal targets for CuY	DBCC
May	Submission of revisions to MDP for CuY (w/ Q1 BFARS), when necessary	Agencies
June	Finalization of indicative PPMP and APP to be consistent with approved budget levels	Agencies
	Submission of revised physical targets for CuY to DBM	Agencies
July	Release of NCAs for second semester of CuY	DBM
	Review and updating of fiscal and budget targets for CuY	DBCC
	First submission of updated APP of CuY, if any (updating is done every six months)	Agencies
August	Start of conduct of early procurement procedures for projects and activities in NEP for BY	Agencies
September	Preparation of Operational Plan for BY	Agencies
	Review/Submission of revisions in budget structure to DBM (when necessary) for the budget in FoY	Agencies
October	Issuance of call for BY BEDs submission	DBM
November	Submission of MDP for BY	Agencies
	Conduct of review/assessment of agencies' performance based on available actual CY data as input to the BY execution	Agencies
	Submission of final requests for issuance of SAROs/additional NCA	Agencies
December	Issuance of guidelines for the release of funds for BY	DBM
	Conduct of Budget Fora on fund release for BY	DBM
	Submission of BY BEDs (based on NEP)	Agencies
Monthly	Conduct of FDU meetings regarding agency physical and financial performance	DBM, Agencies

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ACCOUNTABILITY

Schedule	Activity	Concerned Offices
Monthly	Submission of MRD and FDU Flash Report of the preceding month	Agencies
Quarterly	Submission of quarterly BFARs of the CuY	Agencies
Monthly	Publication of Cash Operations Report of the CuY	BTR
Monthly	Posting of Disbursement Assessment Reports of the CuY	DBM
Quarterly	Posting of SAAODB of the CuY	DBM
January	Submission of second semester PMR to GPPB	Agencies
February	Submission of PYs Budget Accountability Reports	DBM
	NG closing of books	Agencies and BTR
May	COA presentation of general annual audit findings on NG, GOCCs, LGUs to Congress	COA
June	Conduct of review of PY performance and status of CuY budget before submission of proposed BY budget to Congress	Congress
July	Submission of first semester PMR to GPPB	Agencies
August	Approval and Publication of the DBCC Mid-Year Report for CuY	DBCC
September	Approval and Publication of the DBCC Year-End Report for PY	DBCC
November to January	Preparation, Approval, and Publication of Socio-Economic Report	NEDA/OP
December	Submission PIP/CIP report annually to DBM/ICC	NEDA

ANNEX B

Definition of Terms

Assistance to Disadvantaged Municipalities (ADM) - An allocation that will allow the LGUs to identify projects that will be funded by the national government to provide a "catch-up mechanism" that will assist municipal governments in increasing citizens' access to basic facilities in their respective areas of jurisdiction.

Annual Procurement Plan (APP) – The requisite document that an agency must prepare pursuant to GPPB Circular No. 07-2015¹ dated July 16, 2015 which should include procurements considered crucial to the efficient discharge of governmental functions.

Cash Operations Report (COR) – A report prepared by the Bureau of the Treasury (BTr) on the actual government receipts, disbursements, the resulting surplus or deficit, as well as the corresponding financing (domestic and foreign sources) to cover the deficit.

Core Investment Program/Project (CIP) - Refers to a priority program/project included in the Public Investment Program (PIP), with a total project cost of at least Php2.5 billion, and which has met the criteria to be considered as strategic CIP under the PIP Guidelines of NEDA.

Development Budget Coordination Committee (DBCC) - An inter-agency body composed of the Secretary of the DBM as Chairman, Secretary of the DOF, Socioeconomic Planning Secretary of the NEDA, and a representative of the Office of the President, as Members, with the Bangko Sentral Governor as a Resource Person. The role of the DBCC is primarily to review and approve macroeconomic targets, revenue projections, borrowing level, aggregate budget level and expenditure priorities, and recommend to the Cabinet and the President the consolidated public sector financial position and the national government fiscal program.

Disbursement – A settlement of government obligations either in the currency, check or constructive cash such as the issuance of Tax Remittance Advice (TRA) for remittance to the Bureau of Internal Revenue (BIR) of taxes withheld from employees and suppliers, and Non-Cash Availment Authority for direct payments made by international financial institutions to suppliers and consultants of foreign assisted projects.

Fiscal Risks Statement (FRS) – Provides a comprehensive view of the country's exposure to fiscal risks emanating from fiscal projections and turnouts, public debt, and contingent liabilities associated with the financial sector, GOCCs, PPPs, local government units and natural disasters. The report also includes reforms and risk mitigation efforts.

Full-Time Delivery Unit (FDU) – Created through Administrative Order No. 46 s. 2015, it is a unit or an officer in a department/agency which/who shall regularly monitor

¹ Preparation of the Annual Procurement Plan

the delivery of services, outputs, and outcomes according to their respective financial and physical plans. FDUs are also required to devise catch-up plans and strategies to improve service delivery after identifying programs and projects with historical trends of low disbursement rates as well as those with anticipated delays.

Infrastructure Committee (InfraCom) – Composed of the Director General of the NEDA Secretariat as Chairman; Secretary of Public Works and Highways, as Co-Chairman; and the Executive Secretary and Secretaries of Transportation and Communications, Finance, and Budget and Management, as Members, the InfraCom advises the President and the NEDA Board on matters concerning infrastructure development, including infrastructure policies, programs, and projects.

Investment Coordination Committee (ICC) - Consisting of the Secretary of Finance, as Chairman; NEDA Director-General, as Co-Chairman; and the Executive Secretary, Secretaries of Agriculture, Trade and Industry, Budget and Management, and the Governor of the Central Bank of the Philippines, as Members, the ICC evaluates and monitors the fiscal, monetary and balance of payments implications of major national projects, and recommends to the President the timetable of their implementation.

Medium-Term Fiscal Strategy – This document shall include a summary of the fiscal policies for revenue, debt, deficit, expenditure, and fiscal risk management, supported by a medium-term fiscal sustainability analysis, consistent with the measurable fiscal objectives established in the approved Statement of Fiscal Policy.

National Expenditure Program (NEP) – This is the proposed national budget submitted by the President to Congress in accordance with Section 22, Article VII of the Constitution. The NEP shall be the basis of the General Appropriations Bill which, upon its enactment, becomes the General Appropriations Act (GAA).

Notice of Cash Allocation (NCA) – Cash authority issued by the DBM to central, regional and provincial offices, and operating units through the authorized government servicing banks under the Modified Disbursement Scheme (MDS), to cover the cash requirements of agencies.

Philippine Development Plan (PDP) – It is the government's roadmap in the formulation of policies and implementation of development programs for the medium-term. It adopts an inclusive growth framework that aims to reduce poverty in multiple dimensions and create massive quality employment.

Procurement Monitoring Report (PMR) – A semestral report on procurement activities specified in the Annual Procurement Plan, whether ongoing and completed. The PMR shall cover major activities from the holding of the pre-procurement conference to the issuance of notice of award, the approval of the contract, delivery/completion, and acceptance/turnover, including the standard and actual time for each major procurement activity.

Program Convergence Budgeting (PCB) – Formerly called the Program Budgeting Approach (PBA), it is an approach used to plan the budget according to the strategic

objectives of the government, and in a manner that is based on results through proper coordination of the lead and participating departments/agencies.

Project Procurement Management Plan (PPMP) – This refers to the procurement plan of a specified program/project/activity (PAP) of an agency. This shall include information on whether the PAP will be contracted out, implemented by administration or consigned; and the objectives of a contract to be employed; the extent/size of contract scopes/packages, procurement methods to be adopted, time schedule for each procurement activity and contract implementation, and estimated budget for the general components of the contract.

Public Investment Program (PIP) – This is a translation of the Philippine Development Plan (PDP) into a list of priority programs and projects to be implemented by the government within the medium-term.

Statement of Fiscal Policy – This contains measurable medium-term macroeconomic and fiscal objectives and forecasts consistent with the following Fiscal Responsibility Principles:

- (a) Implement fiscal policies and strategies consistent with the achievement of macroeconomic stability and inclusive economic development;
- (b) Manage resources in a fiscally and environmentally sustainable way;
- (c) Maintain prudent levels of public debt;
- (d) Maintain an appropriate balance between government revenues and expenditures; and
- (e) Manage fiscal risks in a prudent manner.

Three-year Rolling Infrastructure Program (TRIP) – Promotes the optimal use of public resources for infrastructure development by assuring fund allocation for well-developed and readily-implementable projects for three years. It also aims to synchronize the infrastructure planning, programming, budgeting and execution process of the government both at the oversight and implementing agency (IA) level.