



**DEPARTMENT OF BUDGET AND MANAGEMENT (DBM)
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA)**

JOINT MEMORANDUM CIRCULAR No. 2025- 1

March 6, 2025

TO : All Heads of Departments, Bureaus, Offices, and Other Agencies of the National Government (NG), including State Universities and Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs), the Judiciary, and Constitutional Commissions, and All Others Concerned

SUBJECT : **STRENGTHENING THE PROGRAM CONVERGENCE BUDGETING (PCB) APPROACH AND CREATION OF THE PCB STEERING COMMITTEE (PCB-SC)**

1.0 BACKGROUND

The Program Convergence Budgeting (PCB) is a budgeting approach that aims to focus government resources on key programs and projects which are coordinated in a holistic approach across Departments/Agencies working towards the same goals. It is among the identified government reforms for greater budget transparency, openness, accountability, and reliability since Fiscal Year (FY) 2013¹.

Aligned with the strategies espoused in the Philippine Development Plan (PDP) 2023 – 2028 to adopt coordinated actions and initiatives involving a whole-of-government and whole-of-society approach in achieving its intended goals and outcomes, and consistent with the current Administration's thrust to rationalize similar, overlapping, and/or redundant programs/activities/projects (P/A/Ps), the National Government is institutionalizing the PCB strategy in the budget process to promote the efficient and effective allocation and management of fiscal resources.

Consistent with the commitment of institutionalizing the PCB strategy in the budget process, this Joint Memorandum Circular (JMC) is being issued to further strengthen the planning-programming-budgeting continuum; institutionalize the PCB's role in government planning; strengthen compliance across Departments/Agencies; and ensure consistency in implementation of existing and prospective PCB programs.

¹ Under National Budget Memorandum No. 114 (Adoption of a Program Approach for the FY 2013 Budget Preparation) dated 30 March 2012.

2.0 PURPOSE

This JMC is being issued to:

- 2.1. Direct lead and participating Departments/Agencies to establish and/or develop mechanisms towards a more effective and efficient implementation of existing and prospective PCB programs; and
- 2.2. Establish an oversight body that will ensure the harmonized, coordinated, complementary, and synergized implementation of the PCB approach across all Departments/Agencies.

3.0 CREATION OF THE PCB STEERING COMMITTEE (PCB-SC)

- 3.1. The PCB-SC is hereby established, with the following composition:

Chairperson: Secretary, National Economic and Development Authority (NEDA)
Co-Chairperson: Secretary, Department of Budget and Management (DBM)

- 3.2. Authorized representatives, preferably with a rank of Undersecretary, or their equivalent, shall be designated as principal alternates to the PCB-SC Chairperson and Co-chairperson.

4.0 POWERS AND FUNCTIONS OF THE PCB-SC

The PCB-SC shall serve as the oversight body for all PCB programs to ensure harmonized, coordinated, complementary, and synergized implementation of these programs. Specifically, the PCB-SC shall:

- 4.1 Identify and approve the PCB programs based on the National Government's overall plan and priorities towards a more strategic and top-down approach to ensure that the programs are consistent with national development objectives.
- 4.2 Establish the rules for the enrollment and delisting of PCB programs and/or their participating agencies.
- 4.3 Determine the rules for the conduct of PCB meetings and in the deliberation of budget proposals under the respective PCB programs. A Secretariat shall be required to assist the lead and participating agencies in PCB meetings and activities.

- 4.4 Call on any government department, agency, bureau, office, or instrumentality to serve as resource institutions, as necessary. It shall also provide assistance to the participating agencies in the implementation and attainment of the objectives of their respective PCB programs.
- 4.5 Establish guidelines for resolving issues on P/A/Ps with multiple attributions (i.e., falling under various PCB programs).
- 4.6 Direct the establishment of a digital system for the management, use, and sharing of data and information on PCB programs.
- 4.7 Oversee and monitor the implementation of the PCB programs to ensure their effective and efficient implementation while also facilitating improvements by identifying challenges and proposing necessary adjustments, consistent with the National Evaluation Policy Framework as approved by NEDA and DBM.
- 4.8 Resolve issues and concerns that may arise in the implementation of PCB programs.

5.0 MEETINGS OF THE PCB-SC

- 5.1 In furtherance of its powers and functions, the PCB-SC shall hold regular bi-annual meetings and special meetings, as may be necessary, and jointly call upon the following:
 - 5.1.1 The lead and/or participating agencies of PCB programs; and
 - 5.1.2 Any department, agency, bureau, office, or instrumentality as resource institutions and to provide assistance in attaining its objectives.
- 5.2 The agenda for the meetings shall include, but are not limited to, the following:
 - 5.2.1 Identification and approval of new PCB programs and, if applicable, the delisting of existing PCB programs; and
 - 5.2.2 Assessment of the accomplishments of each PCB program, including budget utilization, vis-à-vis existing plans and programs as well as subsequent plans and programs.

6.0 THE PCB-SC SECRETARIAT

The PCB-SC shall be assisted by a Secretariat under the DBM. The Secretariat shall provide technical and administrative support to the PCB-SC and provide updates to and coordinate with the concerned agencies on the status of the PCB-SC's activities.

7.0 PCB PROGRAMS

7.1 The lead agency for each existing and prospective PCB program, with the cooperation of its participating agencies, shall spearhead and oversee the establishment and/or development of the following:

7.1.1 Technical Review Committee (TRC) that will help determine the key investment areas as well as evaluate the P/A/Ps that will be proposed by their respective participating agencies;

7.1.2 Operational guidelines and feedback mechanisms;

7.1.3 Monitoring and evaluation (M&E) system aligned with the M&E framework mandated by the PCB-SC; and

7.1.4 Annual physical and financial accomplishment report of the PCB program which shall be published in all of the participating agencies' respective official websites and shall be submitted to the PCB-SC.

7.2 All heads of the participating agencies of PCB programs shall designate one (1) Undersecretary, preferably the senior official for planning, or its equivalent, who will serve as the agency's supervising official for all of its PCB programs.

8.0 SEPARABILITY CLAUSE

If any section or provision of this JMC is held to be invalid or unenforceable for any reason, all other provisions not affected shall continue to be valid and enforceable. If a court finds that any provision of this JMC is invalid and unenforceable, by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

9.0 REPEALING CLAUSE

All provisions and/or parts thereof of existing circulars, memoranda, and other issuances inconsistent with this JMC are hereby rescinded/repealed and/or modified accordingly.

10.0 RESOLUTION OF ISSUES

Issues and concerns that may arise in the implementation of this JMC, shall be submitted simultaneously with and resolved jointly by the DBM and NEDA for Joint Resolution.

11.0 EFFECTIVITY

This JMC shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.


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