



Republic of the Philippines
Program Convergence Budgeting – Steering Committee

PCB-SC RESOLUTION NO. 2025 - 1

Approval of the Implementing Guidelines for the Performance of the Functions of the Program Convergence Budgeting Steering Committee (PCB-SC)

WHEREAS, Section 1, Article XII of the Constitution states that it is the goal of the national economy to have a more equitable distribution of opportunities, income, and wealth, a sustained increase in the amount of goods and services produced for the benefit of the people, and an expanded productivity to raise the quality of life for all;

WHEREAS, Section 4 of Presidential Decree (PD) No. 1177 or the Budget Reform Decree of 1977 prescribes that the National Budget shall be formulated as an instrument for the attainment of national development goals and as part of the planning-programming-budgeting continuum;

WHEREAS, among the strategies espoused in the Philippine Development Plan (PDP) 2023 – 2028 is to adopt a coordinated action involving a whole-of-government and whole-of-society approach in achieving its intended goals and outcomes;

WHEREAS, the Administration's thrust is to rationalize similar, overlapping, and/or redundant programs/activities/projects (P/A/Ps) in order to promote the efficient and effective allocation and management of fiscal resources;

WHEREAS, the Department of Budget and Management (DBM) has been undertaking the Program Convergence Budgeting (PCB) approach since the FY 2013 budget preparation process with the aim of focusing government resources on key P/A/Ps which shall be coordinated in a holistic approach across Departments/Agencies that are working towards the same goals;

WHEREAS, the DBM and the Department of Economy, Planning, and Development (DEPDev)¹ issued the DBM-NEDA Joint Memorandum Circular (JMC) No. 2025-1² dated 6 March 2025 as a means 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 Formerly the National Economic and Development Authority

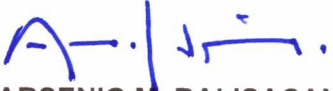
² Entitled, "Strengthening the Program Convergence Budgeting (PCB) Approach and Creation of the PCB Steering Committee (PCB-SC)"

WHEREAS, the DBM-NEDA JMC No. 2025-1 also established the PCB Steering Committee (PCB-SC) which will serve as an oversight body that will ensure the harmonized, coordinated, complementary, and synergized implementation of the PCB approach across all Departments/Agencies;

WHEREAS, the implementing guidelines of the DBM-NEDA JMC No. 2025-1 is being proposed to govern the performance of the PCB-SC of its powers and functions, and to guide the Departments/Agencies in pursuing the PCB approach as a strategy for effective planning and implementation of government programs and projects.

NOW, THEREFORE, for and in consideration of the foregoing premises, it is hereby resolved by the PCB-SC that the **Implementing Guidelines for the Performance of the Functions of the Program Convergence Budgeting Steering Committee (PCB-SC)** is duly approved.

APPROVED by the Program Convergence Budgeting - Steering Committee on
JUL 10 2025


ARSENIO M. BALISACAN

Secretary
Department of Economy, Planning, and
Development
Chairperson




AMENAH F. PANGANDAMAN

Secretary
Department of Budget and
Management
Co-Chairperson



IMPLEMENTING GUIDELINES FOR THE PERFORMANCE OF THE FUNCTIONS OF THE PROGRAM CONVERGENCE BUDGETING STEERING COMMITTEE (PCB-SC)

To effectively carry out the provisions of the Department of Budget and Management (DBM) – National Economic and Development Authority (NEDA) Joint Memorandum Circular (JMC) No. 2025-1,¹ the Program Convergence Budgeting Steering Committee (PCB-SC) hereby promulgates the implementing guidelines that will govern the performance of the PCB-SC of its powers and functions.

1.0 PURPOSE

1.1 This implementing guidelines is being issued to:

- i. Guide agencies in pursuing the Program Convergence Budgeting (PCB) approach as a strategy for effective planning and implementation of government programs and projects; and
- ii. Provide the agencies with the initial general procedures on how the PCB-SC will execute its powers and functions as mandated by the DBM-NEDA JMC No. 2025-1.

2.0 DEFINITION OF TERMS

2.1 The following definition of terms shall apply for purposes of this implementing guidelines:

- i. Lead agency – Designated to perform oversight and steering functions of planning, direction setting, and monitoring, among others, as set forth in the legal and/or policy framework of the PCB program. The designation of the lead agency shall be in accordance with the legal basis of the PCB program and/or the magnitude of the involvement of an agency in said PCB program, consistent with its legal mandates/jurisdiction.
- ii. Participating agency – Agencies with P/A/Ps and/or institutional commitments that are contributory to the PCB program. The designation of participating agencies shall be in accordance with the legal basis of the PCB program and/or its involvement in the achievement of the goals and objectives of the PCB program.
- iii. PCB - A budgeting approach that aims to focus government resources on key programs and projects which shall be coordinated in a holistic approach across Departments/Agencies working towards the same goals.
- iv. PCB program – Strategic programs, requiring coordinated efforts across multiple national government departments/agencies, that contribute to national development objectives. It should be anchored on a legal and/or policy framework such as, but not limited to, laws, executive issuances, roadmaps, and masterplans that establish the goals and objectives, functions, and

¹ The NEDA has since been reorganized into the Department of Economy, Planning, and Development by virtue of Republic Act No. 12145.

responsibilities of agencies concerned, including the significance and urgency of the accomplishment of its goals and targets.

- v. Program/Activity/Project (P/A/P) - Any work process or group of work processes undertaken to realize the outputs and outcomes of an agency. This is represented by an item of appropriation in the national budget.
- vi. Public Investment Program (PIP) - This contains the rolling list of priority P/A/Ps to be implemented by the national government, Government -Owned or - Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), and other national government offices and instrumentalities within the medium term, that contributes to the achievement of the societal goal and targets in the Philippine Development Plan.
- vii. Technical Budget Hearings (TBH) – Conducted by the DBM with the department/agencies where the latter defend and justify their budget proposals and allows for a more thorough discussion of budget policy concerns and issues.
- viii. Technical Review Committee – A committee within each PCB program that will help determine the key investment areas as well as evaluate the P/A/Ps that will be proposed by the participating agencies.

3.0 OPERATIONALIZATION OF THE PCB-SC

- 3.1 The PCB-SC, chaired by the Department of Economy, Planning, and Development (DEPDev)² Secretary and co-chaired by the DBM Secretary, shall have the following authorized alternate representatives:
 - i. DEPDev – Undersecretary of the Policy and Planning Group, or his/her equivalent designated by the DEPDev Secretary;
 - ii. DBM – Undersecretary of the Budget Policy and Strategy Group, or his/her equivalent designated by the DBM Secretary.
- 3.2 In support of the performance of the PCB-SC's powers and functions, an Executive Technical Board (ETB) under the PCB-SC is created.³ The ETB of the PCB-SC shall review guidelines, policies, and action items at the technical level before elevating the same to the PCB-SC.

The ETB of the PCB-SC shall be composed of the Undersecretaries or Heads of the following, or their equivalent:

Chairperson:	DEPDev Policy and Planning Group
Co-Chairperson:	DBM Budget Policy and Strategy Group
Members:	DEPDev Investment Programming Group
	DBM Budget Preparation and Execution Group
	DBM Organization and Systems Improvement Group

² Formerly the NEDA.

³ The ETB under the PCB-SC is patterned after the ETB of the Development Budget Coordination Committee (DBCC) and the National Innovation Council (NIC).

Authorized representatives, preferably with the rank of Assistant Secretary, or their equivalent, shall be designated as alternates to the ETB of the PCB-SC.

Designation of the ETB members and alternates shall be made by the respective DEPDev and DBM Secretaries.

- i. The PCB-SC, upon recommendation of its ETB, may create technical working groups (TWGs) as may be necessary.
- 3.3 The Secretariat of the PCB-SC and its ETB shall be led by the Director of the DBM Fiscal Planning and Reforms Bureau (FPRB) and supported by a unit within the same office. The Secretariat shall provide technical and administrative support to the PCB-SC and its ETB and provide updates to and coordinate with the concerned agencies on the status of the PCB-SC's activities, decisions, and issuances, among others.
- 3.4 The regular bi-annual meetings of the PCB-SC and the agenda for each meeting shall be as follows:

- i. **First semester meeting:** 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. The PCB-SC may also require the lead agencies of the PCB programs to present the results of their deliberation on the budget proposals of their respective PCB programs.

The schedule of the first meeting for the current fiscal year should consider the availability of information on the previous year's accomplishments of each PCB program.

- ii. **Second semester meeting:** Identification and approval of new PCB programs and, if applicable, the delisting of existing PCB programs. The schedule of the second meeting for the current fiscal year should consider the timeline for the Public Investment Program (PIP) updating and the national budget call issuance to ensure the integration of the newly approved PCB programs into budget preparation activities for the relevant fiscal year.

The PCB-SC may also call for special meetings, as may be necessary.

- 3.5 In the conduct of its meetings, the PCB-SC and its ETB may jointly call upon the following:
- i. The lead and/or participating agencies of PCB programs; and
 - ii. Any department, agency, bureau, office, or instrumentality as resource institutions and to provide assistance in attaining its objectives.
- 3.6 The instructions/decisions by the PCB-SC may be determined and promulgated through the following:
- i. Agreements during a meeting and documented through the highlights or minutes of the meeting. The instructions/decisions shall be relayed to the concerned agency/ies through letter from the Secretariat or from the PCB-SC Chairperson.

- ii. Ad Referendum approvals must be unanimous through a resolution signed by the Chairperson and Co-Chairperson or their authorized alternate representatives. The decisions contained in the resolutions may be relayed by the Secretariat or by the PCB-SC Chairperson to the concerned agency/ies. Resolutions need not be provided to the concerned agency/ies unless approved by the PCB-SC Chairperson.

4.0 ESTABLISHMENT OF NEW PCB PROGRAMS

4.1 *General Requirements for the Establishment of New PCB Programs*

- i. Government programs that could be considered for PCB shall be anchored on a legal and/or policy framework, such as, but not limited to, laws, executive issuances, roadmaps, and master plans, that establish the goals and objectives, functions, and responsibilities of agencies concerned, including the significance and urgency of the accomplishment of its goals and targets.

Furthermore, government programs that could be considered for PCB should contain a set of related measures or activities with a particular long-term goal, being implemented by two or more government entities, within a specific timeframe.

- ii. In order to plan and implement a PCB Program, a lead agency shall be designated to perform oversight and steering functions of planning, direction setting, and monitoring, among others, as set forth in the legal and/or policy framework of the program.

The designation of lead agency shall be in accordance with the legal basis of the PCB Program and/or the magnitude of the involvement of an agency in said PCB program, consistent with its legal mandates/jurisdiction.

- iii. Participating agencies shall ensure that projects/activities under the Program, including institutional commitments, are being implemented within the agreed timeline and are contributing to the goals set for the Program.

4.2 *Modalities for the Establishment of New PCB Programs*

- i. New PCB programs shall be established either through the following:
 - a. Identification by the PCB-SC based on the national government's overall plan and priorities, and consistent with national development objectives. The PCB-SC shall issue a resolution for the purpose, and inform the prospective lead agency of the need to establish the new PCB program.
 - b. Proposal by a prospective lead agency and approved by the PCB-SC.
- ii. The PCB-SC shall issue a resolution regarding the establishment of a new PCB program and inform the prospective lead agency of the said decision. For proposed PCB programs denied by the PCB-SC, the proponent agency shall be informed through an official letter from the Secretariat. The communication to the proponent agency shall be guided by item 3.6 of this Implementing Guidelines.

4.3 ***Documentary Requirements for Proposing a New PCB Program***

- i. The proponent lead agency shall inform the PCB-SC of its intent to enroll a new PCB program through a letter addressed jointly to the Chairperson and Co-Chairperson.
- ii. Consistent with item 4.1 of this implementing guidelines, the letter request shall include: (1) supporting documents to establish the technical and legal basis of the new PCB program; and (2) list of identified participating agencies.
- iii. The documentary requirements shall be officially submitted to the Secretariat in printed and electronic forms through the DBM Central Records Division and dbm-fpb@dbm.gov.ph.
- iv. The PCB-SC Secretariat shall develop the necessary templates and/or formats, as well as the accompanying checklist of documentary requirements.

4.4 ***Timeline***

- i. The submission of requests for new PCB programs by prospective lead agencies shall be accommodated starting the second quarter of every year, or earlier, depending on circumstances that warrant an earlier submission of requests.
- ii. The proponent lead agency shall attend the second semester PCB-SC meeting for the current fiscal year to justify its proposed establishment of a new PCB program.
- iii. New PCB programs approved by the PCB-SC shall be included in the DEPDev's annual updating of the PIP and the DBM's annual national budget call. The approval shall also cause the lead agency to initiate the preparatory works of its PCB program in order to ensure the timely submission of their respective budget proposals to the DBM.

5.0 VALIDATION/UPDATING OF EXISTING PCB PROGRAMS

- 5.1 Upon finalization by the PCB-SC of the list of PCB programs, during its second semester meeting for the fiscal year, the lead agency of each existing PCB program shall provide the following validated/updated information to the Secretariat:
 - i. Title of the PCB program; and
 - ii. List of participating agencies.
- 5.2 The Secretariat shall ensure that the above validated/updated information is reflected in the annual national budget call. In this regard, the Secretariat shall determine and communicate with the lead agencies the deadline of submission of the above information in consideration of the DBM's timeline of publication of the national budget call.

6.0 ROLES AND RESPONSIBILITIES OF LEAD AND PARTICIPATING AGENCIES

- 6.1 Upon approval and/or confirmation of the PCB-SC of the PCB programs during its second semester meeting for the fiscal year, the lead and participating agencies shall conduct the necessary activities to ensure the timely submission of budget proposals under their respective PCB program to the DBM.
- 6.2 The lead agencies shall:
- i. Spearhead the presentation of the consolidated proposed budgets to the DBM during the Technical Budget Hearings.
 - ii. Convene meetings with participating agencies for the alignment of assumptions, targets, beneficiaries, focus areas and implementation timelines for their respective PCB programs.
 - iii. Evaluate funding proposals and corresponding targets submitted by the participating agencies to ensure that it is reasonable, appropriate, and aligned with the goals and objectives of PCB programs.
 - iv. Prepare and submit to the DBM a consolidated report detailing the programs, activities, and projects (P/A/Ps) by agency together with the funding requirements.
 - v. Establish a monitoring and evaluation (M&E) system aligned with the M&E framework that will be mandated by the PCB-SC.
 - vi. Adopt a digital system for the respective PCB programs' workflow and in the management, use, and sharing of data and information.
 - vii. Establish a Technical Review Committee that will help determine the key investment areas as well as evaluate the PAPs proposed by their respective participating agencies.
 - viii. Develop operational guidelines and feedback mechanisms.
 - ix. Submit annual physical and financial accomplishment reports of the PCB Program to the PCB-SC.
- 6.3 The participating agencies shall:
- i. Attend the meetings of their respective PCB program that will be convened by the lead agency.
 - ii. Submit to the lead agency their respective targets and funding requirements, corresponding to their contributions on achieving the overall objectives of the PCB program. These information shall be used by the lead agency for evaluation and consolidation.
 - iii. Comply with the M&E system that will be established by the lead agency.

- iv. Adopt the digital system that will be implemented by the lead agency for the workflow and in the management, use, and sharing of data and information.
 - v. 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.
 - vi. Publish annual physical and financial accomplishment reports of the PCB program on their respective official websites.
- 6.4 Both the lead and participating agencies shall ensure that the preparation of the budget proposals under their respective PCB programs is done in a coordinated and holistic manner. Further, the lead and participating agencies shall abide with the requirements in the preparation and submission of budget proposals as contained in the annual national budget call.

7.0 FINAL PROVISIONS

- 7.1 **Resolution of Related Issues.** Any clarification as to the applicability of these guidelines shall be referred to the PCB-SC, through the PCB Secretariat.
- 7.2 **Additional Guidelines.** The PCB-SC shall deliberate and issue subsequent guidelines, as it deems necessary, in relation to the performance of its mandate as stated in the DBM-NEDA JMC No. 2025-1. The additional guidelines may include, but are not limited to, the following:
- i. Delisting of existing PCB programs and/or participating agencies;
 - ii. Deliberation of budget proposals under PCB programs;
 - iii. Resolving issues related to P/A/Ps with multiple attributions;
 - iv. Specific functionalities of the digital system to be established; and
 - v. M&E framework that will guide the lead agencies' M&E systems.

The workplan for the above additional guidelines that will be issued by the PCB-SC will be deliberated by the PCB-SC and its ETB in their subsequent meeting upon the issuance of this implementing guidelines.

- 7.3 **Revisions.** The PCB-SC may revise these guidelines as it deems necessary towards a more efficient and effective implementation of the PCB approach.
- 7.4 **Separability Clause.** If any section or provision of these guidelines 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 these Guidelines 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.
- 7.5 **Effectivity.** These guidelines shall take effect immediately.