



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NATIONAL BUDGET CIRCULAR

No. 603
May 4, 2026

- For : All Heads of Departments / Agencies / State Universities and Colleges (SUCs) and Other Offices of the National Government, including Commissions / Offices under the Constitutional Fiscal Autonomy Group (CFAG); Government-owned or -Controlled Corporations (GOCCs) and Local Government Units (LGUs) receiving budgetary support from the National Government; Budget Officers; Heads of Accounting Units; and All Others Concerned
- Subject : **ADOPTION OF ECONOMY MEASURES IN VIEW OF THE DECLARATION OF A STATE OF NATIONAL ENERGY EMERGENCY UNDER EXECUTIVE ORDER (EO) NO. 110, S. 2026¹ TO BE SOURCED FROM FISCAL YEAR (FY) 2025 CONTINUING APPROPRIATIONS**

1.0 RATIONALE

- 1.1 National Budget Circular (NBC) No. 602 dated April 23, 2026,² was issued to guide agencies on the offering and declaration of savings from their unobligated allotments in the FY 2026 General Appropriations Act (GAA), Republic Act (R.A.) No. 12314. This partially generates the required funding sources needed for augmentation of identified programs/activities/projects (P/A/Ps) of the departments/ agencies in relation to the implementation of Unified Package for Livelihoods, Industry, Food, and Transport (UPLIFT) pursuant to EO No. 110, s. 2026, as well as the Office of the President Memorandum Circular No. 114, s. 2026.³
- 1.2 To further support the implementation of UPLIFT (covering FY 2025 identified P/A/Ps), unobligated allotments under the FY 2025 GAA that

¹ Declaring a State of National Energy Emergency and Authorizing the Unified Package for Livelihoods, Industry, Food, and Transport

² Adoption Of Economy Measures in view of the Declaration of a State of National Energy Emergency under Executive Order (EO) No. 110, s. 2026

³ Directing All Government Agencies and Instrumentalities to Strictly Adopt Conservation Protocols

will no longer be used may be tapped as additional funding source subject to compliance with the following General Provisions (GP) of FY 2025 GAA:

- 1.2.1 GP No. 40 (Energy Efficiency). All national government agencies, LGUs and GOCCs shall comply with the Government Energy Management Program (GEMP), and existing laws, rules and regulations on energy efficiency and conservation.
- 1.2.2 GP No. 76 (Authority to Use Savings). The President of the Philippines, the President of the Senate of the Philippines, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, the Heads of the Civil Service Commission, the Commission on Elections and the Commission on Audit are hereby authorized to augment a deficiency in any existing item of their respective appropriations in the Act.
- 1.2.3 GP No. 77 (Meaning of Savings). Savings refer to portions or balances of any released appropriations in the Act which have not been obligated as a result of any of the following: a) completion, final discontinuance, or abandonment of a P/A/P for which the appropriation is authorized; or b) implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs, and services approved in the Act at a lesser cost.

In case final discontinuance or abandonment is used as basis in the declaration of savings, such discontinued or abandoned P/A/P shall no longer be proposed for funding in the next two (2) fiscal years.

- 1.2.4 GP No. 78 (Rules on Augmentation). Augmentation is the act of the constitutional officers authorized to use savings in their respective appropriations in the Act to cover actual deficiencies in any existing item of appropriation within their respective offices in the current year.

2.0 COVERAGE

All departments, agencies, and operating units of the national government, including SUCs, as well as GOCCs receiving budgetary appropriations authorized under the FY 2025 GAA.

The Legislative and Judicial branches, the Constitutional Commissions, and other offices vested with fiscal autonomy, as well as LGUs are strongly encouraged to adopt and implement the prescribed economy measures within their respective institutions.

3.0 PURPOSES

- 3.1 To provide guidelines for the possible measures for the offering and declaration of savings of identified P/A/Ps from the FY 2025 GAA unobligated allotments as of March 31, 2026, by covered entities under item 2.0 hereof;
- 3.2 To identify unobligated allotments for P/A/Ps under the FY 2025 Continuing Appropriations; and
- 3.3 To prescribe the submission of documents to the DBM as bases for the offering and declaration of savings from said unobligated allotments.

4.0 GUIDELINES

- 4.1 To partially generate the required amounts to augment deficient P/A/Ps under the FY 2025 GAA from the unobligated allotments under the FY 2025 GAA, Continuing Appropriations, all concerned entities are hereby directed to:
 - 4.1.1 Review the FY 2025 unobligated allotments reported in the submitted Financial Accountability Reports **as of March 31, 2026**, and determine the portion thereof that can no longer be utilized. The total amount identified shall be declared and offered as savings.
 - 4.1.2 Submit to the Department of Budget and Management (DBM) not later than **May 15, 2026**, a Certification (Annex A) reflecting the source P/A/Ps and the corresponding amount to be offered as savings, duly signed by the Head of Agency and as certified by the authorized budget and finance officers concerned.
- 4.2 The DBM shall:
 - 4.2.1 Prepare and submit to the President a report on the P/A/Ps offered and declared as savings from the FY 2025 GAA unobligated allotments.
 - 4.2.2 Issue the following upon receipt of the agency request to augment deficient P/A/Ps under the FY 2025 GAA, subject to the approval from the Office of the President:
 - 4.2.2.1 Negative Special Allotment Release Orders (SAROs) corresponding to the savings declared.
 - 4.2.2.2 SARO for memo entries to effect the use of savings and augmentation from the source to recipient agencies, as applicable.

4.2.2.3 SAROs to **fund identified deficient P/A/Ps under the FY 2025 GAA** of the various departments/agencies in relation to the implementation of UPLIFT.

5.0 APPLICABILITY

This shall remain in full force and effect for the duration of the national energy emergency, unless extended or lifted earlier by the President. All actions taken under this Circular shall be subject to the applicable budgeting, accounting, and auditing laws, rules and regulations.

6.0 SEPARABILITY

If any part or provision of this Circular is held invalid or unconstitutional, other provisions not affected thereby shall remain in force and effect.

7.0 REPEALING CLAUSE

All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly only for purposes of the implementation of this Circular.

8.0 SAVING CLAUSE

Cases not covered in this Circular shall be referred to the DBM for resolution.

9.0 EFFECTIVITY

This Circular shall take effect immediately upon publication.

ROLANDO U. TOLEDO
Acting Secretary



CERTIFICATION
(Date)

In compliance with the Department of Budget and Management (DBM) National Budget Circular (NBC) No. __ (Adoption of Economy Measures in View of the Declaration of a State of National Energy Emergency under Executive Order No. 110, s. 2026 to be Sourced from FY 2025 Continuing Appropriations) dated May __, 2026, the ***(Department/Agency)*** hereby submits the amount of ***(amount in words [P_____ .00])*** as our offered savings from the identified funding source, to wit:

Programs/Activities/Projects	Object of Expenditures	Amount
FY 2025 GAA (R.A. No. 12116)		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
SUB-TOTAL, PS		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
SUB-TOTAL, MOOE		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
SUB-TOTAL, CO		
GRAND TOTAL, FY 2025 GAA, UNOBLIGATED ALLOTMENTS		

We hereby undertake that such amount/s will no longer be utilized for the original purpose/s.

Prepared by:

Certified Correct by:

Budget/Finance Officer

Financial Service Head or equivalent

Approved by:

Head of the Agency