

Salient Features of the FY 2021 National Budget Call

January 15, 2020

Director Mary Anne Z. Dela Vega
DBM – Budget and Management Bureau B



Philippine International Convention Center



MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 91

ADOPTING THE CASH BUDGETING SYSTEM BEGINNING FISCAL
YEAR 2019, AND FOR OTHER PURPOSES

R Duterte

Budget Level

Tier 1

(Ongoing
Spending)

***Forward
Estimates***



Tier 2

(New Spending
and Expansion of
P/A/Ps)

***For charging
against the
available Fiscal
Space***



**Total Proposed
Budget**



Definition

TIER 1

- Estimated cash requirements for ongoing P/A/Ps and commitments at the same scope and quality
- Reallocation of Tier 1 resources among P/A/Ps shall **NOT BE ALLOWED**

TIER 2

- Amount available for Tier 2 proposals corresponds to the fiscal space, or the difference between the projected expenditure program (after considering projected revenues and deficit targets) and Tier 1

Department/Agency Budget Levels

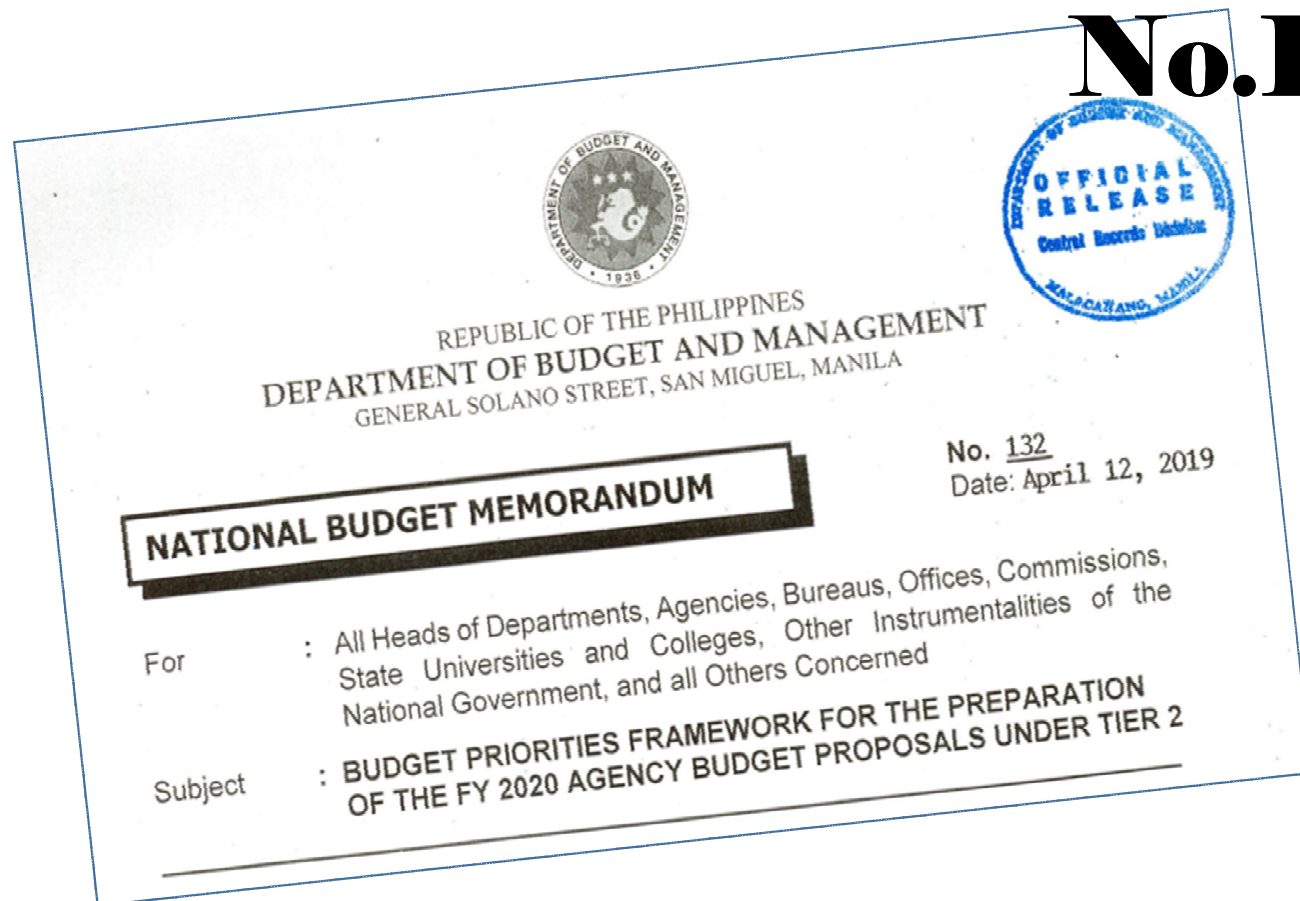
	Tier 1	Tier 2
FY 2021	FY 2021 FEs per <u>Annex A</u> of NBM No. <u>132</u>	To be accomplished based on: 1. <u>Annex A</u> of NBM <u>133</u> , and 2. Budget Priorities Framework to be issued in April, 2020
FY 2022	FY 2022 FEs per <u>Annex A</u> of NBM No. <u>132</u> <i>* To be updated based on <u>Annex A</u> of NBM <u>133</u></i>	Not applicable
FY 2023	To be formulated based on <u>Annex A</u> of NBM <u>133</u>	Not applicable

NBM 132 – (FY 2020 Budget Priorities Framework) - issued April 2019

NBM 133 – (FY 2021 National Budget Call) - issued November

FY 2021 Tier 1

**FY 2021 Tier 1 = FY 2021 FEs
per Annex A of NBM
No.132**



**Any adjustments
should be included in
the agencies' Tier 2
budget proposals**

FY 2021 Tier 2

Inclusions in MOOE and CO for Tier 2 stated in the NBM 131 (FY 2020 National Budget Call) shall still be adopted. **Except for some new items and revisions.**



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO ST., SAN MIGUEL, MANILA



NATIONAL BUDGET MEMORANDUM

No. 131

F O R : All Heads of Departments, Agencies, Bureaus, Offices, Commissions,
State Universities and Colleges, Other Instrumentalities of the National
Government and all Others Concerned

SUBJECT : NATIONAL BUDGET CALL FOR FY 2020

DATE : February 26, 2019

item 2.3 The details of Tier 1 and Tier 2 inclusions are shown in the table below.

	TIER 1	TIER 2

New item: FY 2021 Tier 2

Spill Over Projects

- Funding requirements for the continuation of contracts that were delayed in their implementation **as of March 31, 2020.**
- These requirements shall be subject to DBM evaluation.



New item: FY 2021 Tier 2

MOOE

Funding requirements to cover transfers from the NG to the LGUs

- Internal Revenue Allotment,
- Special Shares of LGUs in the Proceeds of National Taxes,
- Barangay Official Death Benefits,
- Special Shares of LGUs in the Proceeds of Fire Code Fees, and
- Bangsamoro Autonomous Region in Muslim Mindanao

Revised item: FY 2021 Tier 2

MOOE

FY 2020 National Budget Call	FY 2021 National Budget Call
Expanded/new ICT P/A/Ps • with BP Form 202, covered by the current ISSP, as <u>endorsed</u> by the MITHI	Expanded/new ICT P/A/Ps • with BP Form 202, as <u>approved</u> by the MITHI Steering Committee (MSC)

Revised item: FY 2021 Tier 2

CO

FY 2020

National Budget Call

Proposed adjustments in the total cost of an already approved project by the NEDA Board or ICC as of March 31, 2019, which are implementation-ready

FY 2021

National Budget Call

- **New major capital projects to be implemented starting FY 2021, and ongoing major capital projects with updated project scope/cost, implementation and loan validity schedule, and source of financing approved by the NEDA Board and/or Investment Coordination Committee (ICC) as of March 31, 2020**

Revised item: FY 2021 Tier 2

CO

FY 2020 National Budget Call	FY 2021 National Budget Call
Expanded/new ICT P/A/Ps • with BP Form 202	Expanded/new ICT P/A/Ps • with BP Forms 202, as approved by the MSC

FY 2022 and FY 2023 Tier 1 / FE inclusions

Policy Guidelines – Tier 1 inclusions

FY 2022 FEs

Update the FY 2022 Tier 1 level *as shown in Annex A of NBM 132, s. 2019*, considering the estimated budget that are essential for the continued implementation of **existing approved P/A/Ps.**

FY 2023 FEs

Formulate the FY 2023 FEs using the assumptions considered in updating the FY 2022 FEs.

FY 2022 FEs

2019 Budget Utilization Rate=

$$\frac{\text{Current Year's Obligation (for MOOE \& CO)}}{\text{Allotment}}$$

on a per P/A/P of the agency

FY 2022 and FY 2023 Tier 1

Inclusions in MOOE and CO for Tier 1 stated in the NBM 131 (FY 2020 National Budget Call) shall still be adopted. **Except for some new items and revisions.**



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	TIER 1	TIER 2

New item: FY 2022 and 2023 Tier 1

MOOE

Approved projects covered by Multi-Year Contracting Authority (MYCA) subject to revision to reflect the cash requirements that shall be paid within the year in consideration

Revised item: FY 2022 and 2023 Tier 1

MOOE

FY 2020 National Budget Call	FY 2021 National Budget Call
ICT P/A/Ps previously covered by existing ISSP as endorsed or approved by the MITHI	<ul style="list-style-type: none">• ICT P/A/Ps, as approved by the MSC;

Revised item: FY 2022 and 2023 Tier 1

MOOE

FY 2020 National Budget Call	FY 2021 National Budget Call
Infrastructure subsidy support to GOCCs	<ul style="list-style-type: none">On-going infrastructure projects of GOCCs with subsidy/equity support, including those with Certificate of Budget Inclusion as approved by respective Boards



Thank you!