



# Briefer on the FY 2022 Budget Priorities Framework

## Macroeconomic Considerations for the 2022 National Budget

Backed by the country's strong growth credibility and the government's intensified efforts to achieve population protection amidst the lingering effect of the COVID-19 pandemic, the Duterte Administration has adopted the following positive and achievable macroeconomic assumptions in crafting the FY 2022 National Budget:

Parameters	Actual	Assumptions <sup>1/</sup>			
	2020	2021	2022	2023	2024
Real GDP Growth (%)	(9.50)	6.0-7.0	7.0-9.0	6.0-7.0	6.0-7.0
Inflation (%)	2.6	2.0-4.0	2.0-4.0	2.0-4.0	2.0-4.0
Dubai Crude Oil (US\$/bbl)	42.21	50-70	50-70	50-70	50-70
FOREX (Php/US\$)	49.62	48-53	48-53	48-53	48-53
Growth of Goods Export (%)	(11.3)	8.0	6.0	6.0	6.0
Growth of Goods Import (%)	(23.9)	12.0	10.0	8.0	8.0

<sup>1/</sup>Assumptions and targets adopted by the Development Budget Coordination Committee (DBCC) on May 18, 2021

## Fiscal Program

To finance the implementation of the various programs for 2022, the government set the cash budget at PhP5.024 trillion. The government will continue to adopt a fiscal consolidation strategy to gradually bring down the deficit to the pre-COVID-19 levels

Particulars (in billion Pesos)	Actual	Projections <sup>2/</sup>			
	2020	2021 Program	2022	2023	2024
Revenues	2,856.0	2,881.5	3,289.5	3,586.4	3,999.3
% of GDP	15.9	14.5	14.9	14.8	15.1
Growth Rate	(9.0)	0.9	14.2	9.0	11.5
Disbursements	4,227.4	4,737.1	4,954.6	5,114.5	5,403.6
% of GDP	23.6	23.9	22.4	21.1	20.3
Growth Rate	11.3	12.1	4.6	3.2	5.7
Fiscal Balance	(1,371.4)	(1,855.6)	(1,665.1)	(1,528.0)	(1,404.3)
% of GDP	(7.6)	(9.3)	(7.5)	(6.3)	(5.3)
Growth Rate <sup>3/</sup>	(107.7)	(35.3)	10.3	8.2	8.1
Appropriations	4,100.0	4,506.0	5,023.6	5,302.1	5,569.3
% of GDP	22.9	22.7	22.8	21.9	21.0
Growth Rate	13.6	9.9	11.5	5.5	5.0

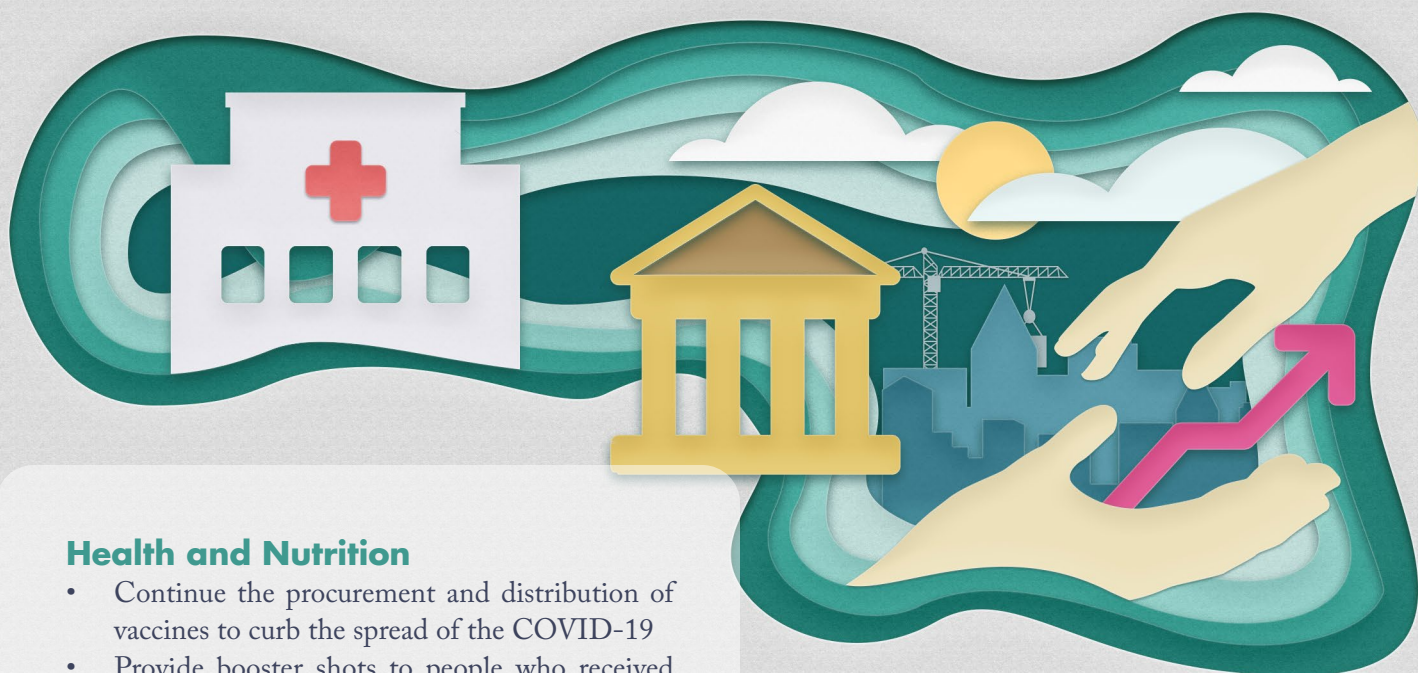
<sup>2/</sup>Consistent with the macroeconomic and growth assumptions, and fiscal program approved during the 179th DBCC Meeting on May 18, 2021.

<sup>3/</sup>A positive growth rate indicates an improvement in the fiscal balance, while a negative growth rate implies a deterioration in the fiscal balance.



## Tier 2 Budget Priorities

Tier 2 funding for FY 2022 shall give priority to strategic programs focusing on the continued recovery and strengthening of the resilience of the country in the post-pandemic life—enhancing the country's health system, empowering local government units, and providing for a more efficient and inclusive social support and protection.



### Health and Nutrition

- Continue the procurement and distribution of vaccines to curb the spread of the COVID-19
- Provide booster shots to people who received the vaccines to strengthen their immune system and reduce the chances of having the adverse symptoms of the virus
- Enhance the capacity for knowledge and technology generation, acquisition and adoption of the country's health system through the establishment of the Virology Science and Technology Institute of the Philippines
- Address the prevalent problem of stunting and malnutrition among Filipino children through a multisectoral approach which is consistent with the national priorities and roadmap for achieving zero hunger

### Social Protection

- Intensify the implementation of the Family Planning Program to reduce the rapid population growth and increase the awareness and knowledge on the importance and benefits of family planning
- Sustain the demographic dividend of having young, healthy, educated, and skilled working-age population to ensure the continued productivity of the economy

### Governance

- Aid poor, disadvantaged and lagging Local Government Units (LGUs) through a Growth Equity Fund that will help cover their financial and capacity development needs to implement devolved functions and services
- Support the capacity development programs of National Government Agencies for LGUs to empower and help them provide better service to the citizens
- Fast-tracking the implementation of the Philippine Identification System (PhilSys) for a more efficient and inclusive provision of key services to the people



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