

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



23 MAY 25 A9:48

SENATE
S. No. 2251

RECEIVED BY:

Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
FURTHER ENHANCING PUBLIC PARTICIPATION, TRANSPARENCY AND
ACCESSIBILITY TO THE NATIONAL BUDGET, THEREBY
INSTITUTIONALIZING THE PUBLICATION OF "THE PEOPLE'S BUDGET"

EXPLANATORY NOTE

In the Open Budget Survey 2021, which measured and assessed three components of budget accountability across 120 countries, the Philippines obtained a score of 74/100 (adequate) in terms of budget oversight, 68/100 (sufficient; substantial information available) in terms of transparency, and 35/100 (few) in terms of public participation¹.

With respect to transparency, the country secured lower score compared to 2019 at 76/100 but higher compared in 2006 at 51/100. Meanwhile, in terms of public participation, the country regressed over the years, when compared to its earlier score of 41/100 in 2017.

The General Appropriations Act (GAA) is one of the major national policy instruments which chart the development of the country and interventions of the government in addressing society's ills. It is one of the most important pieces of legislation which entails a whole-of-nation approach, and requires the active engagement of the Filipino people, who are ultimately the end beneficiaries.

This bill proposes the institutionalization of the publication of "The People's Budget," or a simplified version of the annual National Budget and related budget

¹ Open Budget Survey 2021. Accessed through <https://internationalbudget.org/wp-content/uploads/Open-budget-survey-2021-1.pdf>

documents. Conceived and first implemented in 2011, it presented a concise and condensed version of the GAA that is otherwise a highly technical and voluminous material. The first edition of the People's Budget contained a summary of the GAA, including budgetary allocations for priority programs and projects, and the basics on the Philippine budget process². Since then, the DBM regularly published the same, which was known as the "Badyet ng Bayan" and "Pinagtibay na Badyet ng Bayan" and was published in English, Tagalog, and Bisaya.

In pursuit of an enhanced budget process and to allow greater citizen participation in the crafting, implementing and monitoring the budget, the urgent passage of this measure is endorsed.



JINGGOY EJERCITO ESTRADA

² "DBM launches People's Budget and eTails project." July 20, 2011.
<https://www.officialgazette.gov.ph/2011/07/20/dbm-launches-peoples-budget-and-e-tails-project/>

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 Section 1. *Short Title.* – This Act shall be known as the "*The People's Budget*
2 *Act of 2023.*"

3 Sec. 2. *The People's Budget.* – The Department of Budget and Management
4 (DBM) shall, for every Fiscal Year, publish citizen-friendly summaries of the
5 following, subject to guidelines and other specifications in the Implementing Rules
6 and Regulations (IRR):

- 7 a) The Statement of Fiscal Policy in the year of the President's election and
8 any updates thereafter within thirty (30) days from submission to
9 Congress;
- 10 b) The Proposed National Budget, to be published in electronic format within
11 thirty (30) days from submission to Congress;
- 12 c) The annual General Appropriations Act (GAA) and special appropriations
13 laws, to be published in electronic format in the government website
14 within thirty (30) days from its effectivity; and

1 d) The Annual Fiscal Report of the preceding fiscal year, to be published in
2 electronic format in the government website on the last working day of
3 the current year.

4 As far as practicable, the People’s Budget shall also be published in major
5 regional dialects, employing common terminologies and graphical representations to
6 be easily understood by the general public.

7 *Sec. 3. People’s Access to Public Financial Information.* – Before the start of
8 each Fiscal Year, the DBM shall promulgate a Calendar of Disclosures, and shall
9 publish the same on the government website. Such calendar shall contain the
10 schedule of release of all budget documents and information. The DBM shall monitor
11 and periodically report to Congress and the public on the compliance of agencies
12 with the Calendar of Disclosures and other fiscal transparency measures.

13 All budget documents and reports shall automatically be made available
14 electronically in the government website. Current and historical data on government
15 revenues, expenditures, and borrowings, shall be made available electronically, in
16 open data format, on the government website, subject to guidelines established in
17 the IRR.

18 *Sec. 4. Participatory Budget Process.* – The government shall establish and
19 implement suitable participatory budget mechanisms to facilitate the open, inclusive,
20 and meaningful engagement of citizens throughout the budget process. The DBM
21 and the Department of the Interior and Local Government (DILG), together with
22 other relevant agencies, shall formulate policies and programs, activities, and
23 projects to enhance participation in the planning, budgeting and accountability
24 processes.

25 Such participatory mechanisms may include: (i) consultations with the
26 Regional Development Council (RDC) and Local Development Council (LDC) in the
27 formulation of the national and local government budgets, respectively; and (ii)
28 partnerships with civil society organizations (CSOs), academic institutions and
29 experts on programs that monitor and help improve agency or local government
30 preparation, execution, and monitoring of the budget. Capacity development of
31 CSOs to participate under the principles of constructive engagement with
32 government may also be conducted.

1 *Sec. 5. Implementing Rules and Regulations.* – The Department of Budget
2 and Management (DBM) shall, within sixty (60) days from the effectivity of this Act,
3 promulgate the rules and regulations to effectively implement this Act.

4 *Sec. 6. Separability Clause.* – If for any reason, any provision of this Act is
5 declared unconstitutional or invalid, such parts not affected thereby shall remain in
6 full force and effect.

7 *Sec. 7. Repealing Clause.* – All laws, decrees, executive orders, rules and
8 regulations and other issuances or parts thereof which are inconsistent with this Act
9 are hereby repealed, amended or modified accordingly.

10 *Sec. 8. Effectivity.* – This Act shall take effect fifteen (15) days after its
11 publication in the Official Gazette or in any two (2) newspapers of general
12 circulations.

Approved,