

Guidelines on the Preparation of the FY 2023 Agency Budget Proposals

I. Background/ Legal Basis

Presidential Executive Order 325, s. 1996 mandates the Regional Development Councils to review and endorse to the national government the annual budgets of agency regional offices (AROs), state universities and colleges (SUCs), and selected government owned and controlled corporations (GOCCs).

The MIMAROPA RDC conducts the annual budget review to ensure that the programs, activities, and projects (PAPs) proposed by AROs, SUCs, and GOCCs are consistent with the updated Regional Development Investment Program (RDIP) 2017-2022 that was approved by the RDC during its 77th full council meeting on December 03, 2021.

In line with the guidelines and procedures contained in National Budget Memorandum (NBM) No. 142 dated January 12, 2022 agency regional offices (AROs), government owned and controlled corporations (GOCCs), and state universities and colleges (SUCs) are required to formulate their respective FY 2023 budget proposals based on the following:

- a. FY 2023 budget will ensure that only implementation-ready agency proposals are included. Thus, the agencies' budget proposals are expected to be anchored on more concrete program plans and designs. Agencies are expected to improve their monitoring of priority outputs and results, factoring the "*new normal*" setting.
- b. The "*new normal*" in the FY 2023 budget includes the continuing impact of the pandemic and the Supreme Court decision in the "MANDANAS RULING".
- c. With increased resources available at local government units (LGUs), National Government Agencies (NGAs) should refrain from duplicating the direct delivery of devolved functions and services with the LGUs, and rather focus on capacitating and monitoring the LGUs and shift to addressing emerging national program concerns consistent with the strategies outlined in their respective DBM-approved Devolution Transition Plans (DTPs), once available.

Strategic regional needs are to be prioritized in the national plans to strengthen the vertical and horizontal linkages while ensuring that regional plans are aligned with national priorities. AROs shall coordinate their efforts with the MIMAROPA RDC and provide timely feedback to ensure convergence of regional programs. They are also expected to consult with their provincial counterparts/offices and/or LGUs, congressional districts, and SUCs to assess the complementation of projects in the localities. Moreover, the proposals of the SUCs should be endorsed by their respective Board of Regents, Board of Trustees, or other approving bodies.

II. Expenditure Management Framework

The FY 2023 budget proposals shall be consistent with the following Expenditure Management Framework:

- a. the 0-10 Point Socioeconomic Agenda and the Philippine Development Plan (PDP) 2017-2022 Midterm Update

- b. Public Investment Program and the approved FY 2023-2025 Three-Year Rolling Infrastructure Program (TRIP)
- c. Section 4 of EO No. 138, s. 2021 – NGAs shall now focus on policy and standards development for service delivery, provision of technical assistance, monitoring, and performance assessment of the LGUs

III. Purpose

The guidelines for the RDC FY 2023 budget review is intended to:

- a. ensure that the proposed development programs, activities, and projects (PAPs) for FY 2023 of AROs, GOCCs, and SUCs are consistent with the updated Regional Development Investment Program (RDIP), MIMAROPA RDP 2017-2022 Midterm Update, and supportive of the development thrusts and priorities of the current administration and the region;
- b. provide the standard procedures and requirements in the preparation of FY 2023 budget proposals of AROs, SUCs, and GOCCs; and
- c. provide the schedule of activities to ensure timely submission and review of the budget proposals by the MIMAROPA RDC

IV. General Guidelines

- a. The FY 2023 budget proposals shall reflect the continued adoption of the administrative reforms provided in Section 2.6 of NBM No. 142.
- b. Both proposed Tier 1 and Tier 2 projects shall consider the following concerns of the region:
 - Build Back Better (BBB) and climate change-related PAPs considering the MIMAROPA Rehabilitation and Recovery Plan (RRP) for areas affected by typhoon “Odette”;
 - PAPs for gender and development (GAD) adopting the new guidelines of the Philippine Commission on Women (PCW) stating that the determination of compliance to the GAD budget floor shall be by agency and not by constituent unit (e.g., regional offices, district or field offices) and that the agency as a whole shall meet the minimum 5% GAD budget based on the agency’s total appropriations
 - PAPs for COVID-19 response and recovery interventions;
 - Relative to the Mandanas devolution process, the budget proposals shall:
 - Include funding requirement for capacity building programs for LGUs;
 - Prioritize subsidies for local projects of LGUs belonging to the 5th and 6th income classes, the GIDAs, as well as those with the highest poverty incidences, ranked in top third highest; and

- Be consistent with the DBM-approved DTPs or the DTP duly endorsed by its Devolution Transition Committee if the plan has not yet been approved by the DBM

V. Mechanics of the RDC Budget Review and Consultation

- a. A pre-budget consultation or forum shall be conducted by the RDC on February 04, 2022 to discuss the National Budget Call and the mechanics of the RDC budget review and consultation. The forum shall be participated by the representatives of the regional line agencies, state universities and colleges, private sector representatives, and the local government units.
- b. The RDC FY 2023 budget review shall be conducted on February 22-23, 2022 during the sectoral committee (SecCom) meetings (refer to schedule of activities). Regional Directors/Assistant Regional Directors and heads of other agencies shall present their respective FY 2023 agency investment programs (AIPs). SecCom members shall review the relevance, efficacy, and propriety of the proposed PAPs in terms of **urgency**, **equity**, and **complementation** as defined in the Comprehensive Investment Programming Guidelines (CIPG).
- c. The following shall serve as the review panel during the FY 2023 Budget Review:
 - Regional Director – NEDA MIMAROPA
 - Assistant Regional Director – NEDA MIMAROPA
 - Regional Director – DBM MIMAROPA
 - RDC Private Sector Representatives (PSRs)
 - Chiefs of Staffs (CoS) of Congressmen
- d. AROs, GOCCs, and SUCs shall prepare and submit to the MIMAROPA RDC SecCom Secretariats their FY 2023 budget proposals in the following prescribed format:
 - BP Form 1.1: FY 2023 Budget Proposal under Tier 1
 - BP Form 1.2: FY 2023 Budget Proposal under Tier 2
(AROs, GOCCs, and SUCs shall rank their Tier 2 PAPs according to their own priorities)
 - BP Form 2: FY 2021 Budget Utilization Rate
 - BP Form 3: Status of FY 2022 RDC-endorsed Budget Proposals
- e. AROs, GOCCs, and SUCs shall also provide feedback to the Seccom Secretariats on the status of their FY 2022 RDC endorsed budget proposals reflecting the PAPs that were considered or not considered in the 2022 GAA or NEP (BP Form 2).
- f. For RDC monitoring purposes, AROs, GOCCs, and SUCs shall provide to the SecCom Secretariats the budget utilization of their RDC-endorsed PAPs as approved in the FY 2021 GAA (BP Form3).
- g. All electronic copies of the RDC budget review forms indicated above shall be submitted to the MIMAROPA RDC Secretariat on or before **February 14 (Monday)** through email address edcmimaropa@gmail.com under the subject title **AGENCY NAME: FY 2023 Proposed Programs and Projects**.

VI. Review Coverage

The FY 2023 RDC budget review shall initially cover the following AROs, GOCCs, and SUCs:

<u>February 22 (AM): DAC</u>	<u>February 22 (PM): EDC</u>
<ul style="list-style-type: none">• AFP• DBM MIMAROPA• DILG MIMAROPA• DOLE MIMAROPA• NEDA/RDC MIMAROPA• NAPOLCOM MIMAROPA• PDEA MIMAROPA• PIA MIMAROPA• PNP MIMAROPA• PSA MIMAROPA	<ul style="list-style-type: none">• BFAR MIMAROPA• CDA MIMAROPA• DA MIMAROPA• DAR MIMAROPA• DENR MIMAROPA• DOST MIMAROPA• DOT MIMAROPA• DTI MIMAROPA• EMB MIMAROPA• FDA MIMAROPA• MGB MIMAROPA• NIA MIMAROPA• PCA MIMAROPA• PCSD

<u>February 23 (AM): IDC</u>	<u>February 23 (PM): SDC</u>
<ul style="list-style-type: none">• DICT• DOTr• DPWH MIMAROPA• LTO MIMAROPA• MARINA MIMAROPA• NPC SPUG• NTC IV	<ul style="list-style-type: none">• CHED MIMAROPA• POPCOM MIMAROPA• DEPED MIMAROPA• DOH MIMAROPA• DHSUD• DSWD MIMAROPA• NCIP MIMAROPA• NNC MIMAROPA• TESDA MIMAROPA• NCCA• MINSU• MSC• OMSC• PSU• RSU• WPU

VII. Post Budget Review

- a. Comments, recommendations, and adjustments to the budget proposals shall be recorded by the Secretariat of the concerned Sectoral Committee and will be provided to the concerned agency three days after the conduct of the budget review. These comments shall serve as inputs to the summary of RDC inputs and recommendations, which shall be prepared by the agency central offices (ACOs) in Form C.

- b. Highlights of the sector budgets shall be presented to the RDC Full Council on March 04, 2022 for confirmation and endorsement to the concerned ACOs and the DBM.

VIII. Schedule of Activities

	Activity	Output/Result	Schedule	Responsible Entity
1	Transmittal of Policy Guidelines on the Preparation of FY 2023 Budget Proposals	Policy Guidelines on the Preparation of FY 2023 Budget Proposals prepared and transmitted to SecCom Members	January 19, 2022	NEDA MIMAROPA
2	Conduct of Pre-Budget Consultation Forum	RDC members oriented on the mechanics of the budget review and consultation	February 04, 2022	NEDA MIMAROPA
3	Preparation of FY 2023 Budget Proposals	FY 2023 Budget Proposals	January 19 to February 11, 2021	AROs/SUCs/GOCCs
4	Submission of FY 2023 Budget Review Forms to NEDA	FY 2023 AIPs (Forms A-1, A-2, B-1, and B-2)	February 14, 2022	AROs/SUCs/GOCCs
5	Technical Secretariat review	Reviewed and Consolidated FY 2023 agency budget proposals	February 17, 2022	NEDA MIMAROPA
6	Conduct of RDC FY 2023 Budget Review	Reviews/Recommendations on FY 2023 agency budget proposals; Seccom resolutions	February 22-23, 2022	RDC Seccoms
7	Presentation, Endorsement, and Approval of the FY 2023 Budget Proposals by the RDC	RDC resolutions; List of priority PAPs for FY 2023	March 04, 2022	RDC
8	Transmission of agency proposed budgets to ACOs and DBM	RDC resolutions; List of priority PAPs for FY 2023 transmitted to ACOs	March 11, 2022	NEDA MIMAROPA
9	Conduct of Advisory Committee meeting cum RDC-ACO Dialogue	FY 2023 Budget Proposals	TBD	NEDA MIMAROPA
10	Submission of summary of RDC comments/recommendations	Summary of RDC comment/recommendations (Form C)	May-June, 2022	AROs/GOCCs/SUCs