

Guidelines for the RDC Budget Review and Endorsement of the FY 2024 Agency Budget Proposals

I. Background/ Legal Basis

In one of the provisions of Executive Order 325, s. 1996, the Regional Development Councils are mandated to review and endorse to the national government the annual budgets of agency regional offices (AROs), state universities and colleges (SUCs), and special development authorities.

RDC review of the annual budget proposals aims to ensure that the programs, activities, and projects (PAPs) proposed by AROs, SUCs, and other government bodies are consistent with the regional development plan and investment program.

On 12 January 2023, DBM issued National Budget Memorandum (NBM) No. 145 or the National Budget Call, which signals the preparatory stage for the National Expenditure Program (NEP) for FY 2024. The National Budget Call requests all heads of the departments, agencies, bureaus, offices, commissions, state universities and colleges, and other government instrumentalities to prepare their budget proposals for FY 2024. Among others, NBM No. 145 requires the agency budget proposals must do the following:

- a. Respond to the expected continuing headwinds brought about by the Russia-Ukraine war, the external recessionary pressures which inflation has stoked and the economic scarring which COVID-19 has wrought to our economy;
- b. Implement risk-managed interventions in areas of food security, transport and logistics, energy, bureaucratic efficiency and fiscal management, health, education, and social protection, to ensure the unimpeded and adequate delivery of social services, mitigate inflation pressures, accelerate economic recovery, and address economic scarring; and,
- c. Ensure that only implementation-ready agency proposals are included. The government will also look into the agencies' previous year budget utilization and performance as part of its evaluation process.

Further, strategic regional needs shall still be prioritized while harmonizing regional plans with national priorities in order to enhance linkages to achieve equitable regional investment opportunities and growth. The FY 2024 budget shall provide funds for agencies' regional programs, which are responsive to the needs of the poorest, disadvantaged, and lagging LGUs. 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 2024 budget proposals shall incorporate the following:

- a. Priorities and policy directions of the Marcos Jr. Administration as embodied in the 8-point Socioeconomic Agenda and the Philippine Development Plan (PDP) 2023-2028 including programs which support the achievement of the targets set in the Administration's Medium Term Fiscal Framework;
- b. Continuing emphasis on infrastructure development, including the Build Better More program as well as digital and social infrastructure; and,
- c. Provision of funds for capacity-building programs for LGUs to enable them to assume the devolved functions and services.

III. Purpose

The guidelines for the RDC budget review and endorsement for FY 2024 agency budget proposals aims to:

- a. ensure that the proposed development programs, activities, and projects (PAPs) for FY 2024 of AROs, GOCCs, and SUCs are consistent with the Regional Development Investment Program (RDIP) 2023-2028, MIMAROPA Regional Development Plan (RDP) 2023-2028;
- b. Facilitate submission, sectoral committee consultation and review, and RDC endorsement of the FY 2024 budget proposals of AROs, SUCs, and other government bodies; 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 2024 budget proposals shall reflect the continued adoption of the administrative reforms provided in Section 2.3 of NBM No. 145.

b. Both proposed Tier 1 and Tier 2 projects shall consider the following concerns of the region:

- PAPs identified under the MIMAROA Regional Development Plan 2023-2028 and Luzon Spatial and Infrastructure Development Framework;
- PAPs identified under the Master Plan for Sustainable Urban Infrastructure Development in Calapan City;
- Priority infrastructure PAPs across all sectors which can be sourced from the FY 2024 Annual Investment Program (AIP), Three Year Rolling Infrastructure Program (TRIP) 2024-2026, and those PAPs approved by the RDC through a resolution;
- PAPs relative to the implementation of the proposed Regional Government Center;
- PAPs relative to climate-change adaptation or mitigation;
- PAPs in support of the implementation of the Executive Order No. 138, series of 2021, "Full Devolution of Certain Functions of the Executive Branch to Local Governments, Creation of a Committee on Devolution, and for other purposes", particularly capacity building programs for LGUs, 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,
- 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;

V. Mechanics of the RDC Budget Review and Consultation

- a. The RDC will conduct a budget forum on 02 February 2023 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, and private sector representatives, and the local government units.
- b. The RDC FY 2024 budget review shall be conducted on 21-24 February 2023 during the sectoral committee (SecCom) meetings (refer to schedule of activities). Regional Directors (RDs)/ Assistant Regional Directors (ARDs) and heads of other agencies shall present their respective FY 2024 budget proposals.

In the absence of the head of agency, the designated representative may present the budget proposal provided that

an authorization letter duly signed by the head of agency will be submitted to the Secretariat.

- c. The following shall serve as the review panel during the FY 2024 Budget Review and Consultation:
 - Regional Director – NEDA MIMAROPA
 - Assistant Regional Director – NEDA MIMAROPA
 - Regional Director – DBM MIMAROPA
 - District Representatives of MIMAROPA or their Chiefs of Staff
 - Provincial Governors and City Mayors of MIMAROPA
 - RDC Private Sector Representatives (PSRs)
- d. AROs, GOCCs, and SUCs shall prepare and submit to the MIMAROPA RDC SecCom Secretariats their FY 2024 budget proposals in the following prescribed format:
 - BP Form 1.1: FY 2024 Budget Proposal under Tier 1
 - BP Form 1.2: FY 2024 Budget Proposal under Tier 2
(AROs, GOCCs, and SUCs shall rank their Tier 2 PAPs according to their own priorities)
 - BP Form 2: FY 2022 Budget Utilization Rate
 - BP Form 3: Status of FY 2023 RDC-endorsed Budget Proposals
- e. For RDC monitoring purposes, AROs, GOCCs, and SUCs shall provide feedback to the SecCom Secretariats on the (1) FY 2022 budget utilization rate per operating expenditure (BP Form 2) and (2) status of their FY 2023 RDC endorsed budget proposals reflecting the PAPs that were considered or not considered in the 2023 GAA (BP Form 3).
- f. All electronic copies of the RDC budget review forms indicated above shall be submitted to the MIMAROPA RDC SecCom Secretariats on or before 13 February (Monday) through the following email addresses under the subject title AGENCY NAME: FY 2024 Proposed Programs and Projects, copy furnish mimaropa@neda.gov.ph:
 - Development Administration Committee - dacneda4b@gmail.com
 - Economic Development Committee - edcneda4b@gmail.com
 - Infrastructure Development Committee - idcneda4b@gmail.com
 - Social Development Committee - sdcneda4b@gmail.com

VI. Review Coverage

The FY 2024 RDC budget review and consultation shall initially cover the following AROs, GOCCs, and SUCs:

<u>February 21: Development Administration Committee</u> <ul style="list-style-type: none"> • AFP • DBM MIMAROPA • DILG MIMAROPA • DOLE MIMAROPA • NEDA/RDC MIMAROPA • NAPOLCOM MIMAROPA • NICA MIMAROPA • PDEA MIMAROPA • PIA MIMAROPA • PNP MIMAROPA • PSA MIMAROPA 	<u>February 22: Economic Development Committee</u> <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 • NFA Region IV • NIA MIMAROPA • PCA MIMAROPA • PCSD
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<u>February 23: Infrastructure Development Committee</u> <ul style="list-style-type: none"> • DOE • DICT MIMAROPA • DOTr • DPWH MIMAROPA • LTFRB MIMAROPA • LTO MIMAROPA • MARINA IV • NPC SPUG • NTC MIMAROPA 	<u>February 24: Social Development Committee</u> <ul style="list-style-type: none"> • CHED MIMAROPA • POPCOM MIMAROPA • DEPED MIMAROPA • DOH MIMAROPA • DHSUD MIMAROPA • DSWD MIMAROPA • NCIP MIMAROPA • NNC MIMAROPA • TESDA MIMAROPA • NCCA • DMW • MINSU • MSC • OMSC • PSU • RSU • WPU
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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 working 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 for confirmation and endorsement to the concerned ACOs and the DBM.
- c. The agency budget proposals shall be presented to the Advisory Committee for adoption.

VIII. Schedule of Activities

	Activity	Output/Result	Schedule	Responsible Entity
1	Transmittal of Policy Guidelines on the Preparation of FY 2024 Budget Proposals	Guidelines for the RDC Review and Endorsement of the FY 2024 Agency Budget Proposals	20 January 2023	NEDA MIMAROPA
2	Conduct of Pre-Budget Consultation/Forum	RDC members oriented on the salient features of NBM No. 145 and the mechanics of the RDC budget proposal review and endorsement	02 February 2023	NEDA MIMAROPA
3	Preparation of FY 2024 Budget Proposals	FY 2024 Budget Proposals	03 - 10 February 2023	AROs/SUCs/GOCCs
4	Submission of FY 2024 Budget Review Forms to NEDA	FY 2024 AIPs (Forms 1.1, 1.2, 2, and 3)	13 February 2023	AROs/SUCs/GOCCs
5	Technical Secretariat review	Reviewed and Consolidated FY 2024 agency budget proposals	14-17 February 2023	NEDA MIMAROPA
6	Conduct of RDC FY 2024 Budget Review	Reviews/Recommendations on FY 2024 agency budget proposals; Seccom resolutions	21-24 February 2023	RDC Seccoms
7	Revision of FY 2024 Budget Proposals based on comments and recommendations of concerned Sectoral Committee	Revised FY 2024 Budget Proposals	27 February - 03 March 2023	AROs/SUCs/GOCCs
8	Presentation, Endorsement, and Approval of the FY 2024 Budget Proposals by the RDC	RDC resolutions; List of priority PAPs for FY 2024	17 March 2023	RDC
9	Transmission of agency proposed	RDC resolutions; List of priority PAPs for FY	24 March 2023	NEDA MIMAROPA

	budgets to ACOs and DBM	2024 transmitted to ACOs		
10	Conduct of Advisory Committee meeting cum RDC-ACO Dialogue	FY 2024 Budget Proposals	TBD	NEDA MIMAROPA
11	Submission of summary of RDC comments/ recommendations	Summary of RDC comments/ recommendations (Form C)	May-June 2023	AROs/GOCCs/ SUCs