

Plan-Program-Budget Linkage: Process Framework

The Plan-Program-Budget Linkage Process Framework below (*Figure 1*) maps out how the outputs of the planning and programming processes serve as inputs to the budgeting process.

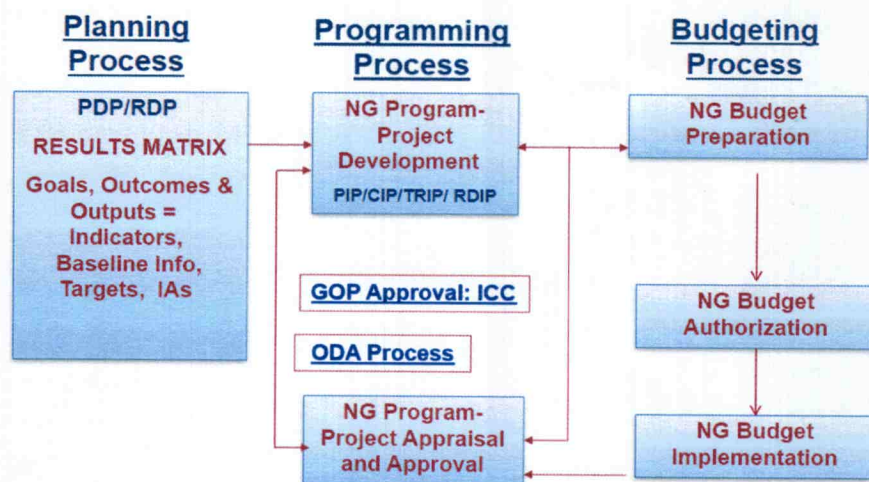


Figure 1. Plan-Program-Budget Linkage: Process Framework

Planning Process

The **Philippine Development Plan (PDP) or the Plan** is a national planning document prepared at the start of a new Administration, which highlights the goals of the country for the next six years. At the regional level, the **Regional Development Plans (RDPs)** reflect the development agenda and strategic priorities of the regions, in support of the PDP's overall objectives, goals, and outcomes.

One of the accompanying documents of the Plan is the **Results Matrix (RM)** that contains the statements of results to be achieved (goals, outcomes, and outputs) and corresponding indicators, baseline information, targets, and responsible agencies.

Programming Process

The **Public Investment Program (PIP)**¹, as another accompanying document to the Plan, translates the PDP and RM into specific programs and projects (PAPs) during the programming process. Each agency or office formulates or updates its rolling list of

¹ The PIP is composed of Core Investment Programs/Projects (CIPs) and Non-CIPs. In the formulation/updating of the PIP, agencies, in coordination with their bureaus, attached agencies, and regional offices, take into consideration the regional priorities, particularly priority national government (NG)-implemented PAPs included in the Regional Development Investment Programs (RDIPs) and RDC-endorsed NG PAPs.

priority PAPs which contribute to meeting the Plan targets and achieving RM outcomes. The lists of priority PAPs of the agencies are submitted to NEDA, for possible inclusion in the PIP.

Similarly, the Regional Development Investment Program (RDIP) serves as the accompanying document of the Regional Development Program (RDPs). It contains priority PAPs at the regional level which will operationalize the strategies laid out in the respective RDPs.

Currently, there are efforts to strengthen the linkage between the PIP and the RDIPs. One of these is the pilot conduct of the Regional-National Investment Programming (RNIP) Dialogue². In the RNIP Dialogue process, pilot agencies³ and the Regional Development Councils (RDCs) discussed their respective sectoral and regional development plan targets, and corresponding PIP and RDIP timelines. Accordingly, the agencies and RDCs mutually identified corresponding priority PAPs at the regional level. The resulting Agency Regional-National Investment Programs and Projects (ARNIPAPs) from the RNIP Dialogue are expected to be included by the agencies in their submission of priority PAPs during the updating of the PIP 2023-2028 as input to the FY 2025 budget preparation.

The **Three-Year Rolling Infrastructure Program (TRIP)**, on the other hand, is a subset of the PIP. It aims to synchronize the infrastructure planning, programming, budgeting and execution processes of the government both at the oversight and implementing agency level. This shall ensure that the agencies' annual budget ceilings are optimized and utilized in the funding of priority infrastructure PAPs that are responsive to the outcomes and outputs under the PDP and are readily implementable to minimize underspending, expenditure realignments, and cost overruns.

The Infrastructure Flagship Projects (IFPs), which are included in the PIP and TRIP, highlight the efforts of the Government in pushing the infrastructure agenda of the Administration. The IFPs are game-changing, transformative and urgently needed infrastructure projects of national significance that aim to showcase the overall "Build-Better-More" Program. The infrastructure projects proposed for inclusion in the list of IFPs are submitted/endorsed by the agencies to NEDA during the updating of the list of IFPs⁴.

² Held on August 17 and 18, 2023.

³ Twelve (12) pilot national government agencies (i.e., DA, DepEd, DENR, DHSUD, DICT, DILG, DOE, DOH, DOST, DOTr, DSWD, and DPWH) that had the highest region-specific investment targets in the formulated PIP 2023-2028, and were recommended by the NROs representing the Area Committees.

⁴ Please refer to Section C of the Revised Guidelines for the Formulation, Prioritization and Monitoring of the Government's IFPs. Copy can be accessed through this link: [Revised-Guidelines-for-New-IFPs-NEDA-Board-Approved-23-August-2023.pdf](#)

During the programming process, possible funding sources for the priority PAPs (i.e., through government funds, partnership with the private sector, or through official development assistance [ODA]) are identified. Priority PAPs are subject to the appraisal and approval process of the appropriate Approving Body. In the case of PAPs for ODA funding, these are subject to the programming exercises, NEDA Secretariat review, as well as the Investment Coordination Committee (ICC) and NEDA Board review, approval, or confirmation⁵, where applicable.

Budgeting Process

The agencies are expected to ensure that priority PAPs to be allocated with resources or submitted for inclusion in the National Expenditure Program and/or funded under the General Appropriations Act are priority PAPs in the PIP and, specifically for the priority infrastructure projects, in the TRIP which includes projects under the NEDA Board-approved list of IFPs. Through this, the PIP and TRIP will serve as tools in improving resource mobilization towards PAPs that contribute to meeting the Plan targets and achieving RM outcomes. The Department of Budget and Management shall accord priority to PAPs included in the PIP and TRIP, particularly the IFPs, in its review of the submitted budget proposals.

⁵ Please refer to the ICC Guidelines and Procedures for the nature of PAPs that are subject to ICC/NEDA Board review and approval, which can be accessed through this link: [Investment Coordination Committee \(ICC\) - National Economic and Development Authority \(neda.gov.ph\)](https://neda.gov.ph/investment-coordination-committee/)<https://neda.gov.ph/investment-coordination-committee/>.