

International Budget Partnership
OPEN BUDGET QUESTIONNAIRE
Philippines, September 2009

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International Budget Partnership OPEN BUDGET QUESTIONNAIRE

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Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

| Budget Documents Used in Completing the Questionnaire | |
|--|------------------|
| | Budget Year Used |
| Pre-Budget Statement | Not available |
| Budget Summary | 2009 |
| Executive's Budget Proposal | 2009 |
| Supporting Budget Documents | 2009 |
| Citizens Budget | Not available |
| Enacted Budget | 2009 |
| In-Year Reports | 2009 |
| Mid-Year Report | Not available |
| Year-End Report | 2008 |
| Audit Report | 2007 |

Table 2. Key Budget Documents Used: Full Titles and Internet Links

| Budget Document | Full Title, Date, and Internet Link |
|---|---|
| Pre-Budget Statement | Paper on Budget Strategy, FY 2009 Produced but not available to the public |
| Budget Summary | The President's Budget Message, FY 2009 http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940 Release Date: August 2008 |
| Executive's Budget Proposal | Budget of Expenditure and Sources of Financing, FY 2009 http://www.dbm.gov.ph/index.php?pid=9&xid=32&id=927 Release Date: August 2008 |
| Budget Document One in Support of the Executive's Budget Proposal | National Expenditure Program, FY 2009 http://www.dbm.gov.ph/index.php?pid=9&xid=30&id=929 Release Date: August 2008 |
| Budget Document Two in Support of the Executive's Budget Proposal | Staffing Summary, FY 2009 http://www.dbm.gov.ph/index.php?pid=9&xid=33&id=954 Release Date: August 2008 |
| Budget Document Three in Support of the Executive's Budget Proposal | Organizational Performance Indicator Framework, FY 2009 http://www.dbm.gov.ph/opif2009/opif_2009new.htm Release Date: September 2008 |
| Citizens Budget | Not produced |
| Enacted Budget | General Appropriations Act, FY 2009 http://www.dbm.gov.ph/index.php?pid=8&xid=28&id=989 Release Date: March 2009 |

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|------------------------|--|
| <p>In-Year Reports</p> | <p>National Government Cash Operation Report, CY 2009 http://www.treasury.gov.ph/statdata/monthly/mo_corsum.pdf Release Date: Updated monthly, three weeks from reference period, beginning March 20, 2009</p> <p>National Government Revenues, CY 2009 http://www.treasury.gov.ph/statdata/monthly/mo_cor_revenues.pdf Release Date: Updated monthly, three weeks from reference period, beginning March 20, 2009</p> <p>National Government Expenditures, CY 2009 http://www.treasury.gov.ph/statdata/monthly/mo_cor_expenditures.pdf Release Date: Updated monthly, three weeks from reference period, beginning March 20, 2009</p> <p>NG Cash Budget Performance, January - June 2009 http://www.treasury.gov.ph/statdata/monthly/mo_cashbudgetperform.pdf Release Date: Updated monthly, three weeks from reference period, beginning March 20, 2009</p> <p>National Government Outstanding Debt, CY 2009 http://www.treasury.gov.ph/statdata/monthly/mo_ngoutstandingdebt.pdf Release Date: Updated monthly, three weeks from reference period, beginning April 14, 2009</p> <p>National Government Debt Indicators, monthly http://www.treasury.gov.ph/statdata/monthly/mo_debtindicator.pdf Release Date: Updated monthly, three weeks from reference period, beginning April 14, 2009</p> <p>National Government Disbursement Performance, June 2009 http://www.dbm.gov.ph/DBCC/Disbursement0609.pdf Release Date: July 2009</p> <p>National Government Revenue Collections, July 2009 http://www.dof.gov.ph/stat/JULY%202009.pdf Release Date: August 2009</p> <p>National Government Revenue Collections, January - July 2009 http://www.dof.gov.ph/stat/JAN-JULY%202009.pdf Release Date: August 2009</p> |
| <p>Mid-Year Review</p> | <p>Produced but not available to the public</p> |

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|-----------------|--|
| Year-End Report | <p>Monetary, External and Banking Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/BSP.pdf Release Date: February 2009</p> <p>Real Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/NEDA_FINAL.pdf Release Date: February 2009</p> <p>Expenditure Accounts, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DBM_FINAL.pdf Release Date: February 2009</p> <p>Fiscal Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DOF.pdf Release Date: February 2009</p> <p>Agriculture Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DA_FINAL.pdf Release Date: February 2009</p> <p>Exports and Investments, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DTI%20FINAL_Short.pdf Release Date: February 2009</p> <p>Energy and Power Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DOE%20FINAL.pdf Release Date: February 2009</p> <p>Bangko Sentral ng Pilipinas Annual Report 2008 http://www.bsp.gov.ph/downloads/publications/2008/annrep2008.pdf Release Date: March 2009</p> |
| Audit Report | <p>2007 Annual Audit Reports http://www.coa.gov.ph/Audit/AAR.htm Release Date: Beginning March 2008</p> <p>2007 Annual Financial Reports http://www.coa.gov.ph/Financial_Reports.htm Release Date: September 2008</p> |
| Other Documents | <p>National Budget Call, FY 2009 Publicly available, but not on the Internet</p> <p>Details of Selected Programs/Projects, FY 2009 http://www.dbm.gov.ph/index.php?pid=9&xid=419&id=953</p> |

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| Relevant Ministries & Departments | <p>Department of Budget and Management (DBM) http://dbm.gov.ph</p> <p>Bureau of Treasury (BTr) http://treasury.gov.ph</p> <p>Department of Finance (DOF) http://dof.gov.ph</p> <p>Investor Relations Office (IRO) http://iro.ph</p> <p>Bangko Sentral ng Pilipinas (BSP) http://bsp.gov.ph</p> <p>National Economic and Development Authority (NEDA) http://neda.gov.ph</p> <p>Bureau of Internal Revenue (BIR) http://bir.gov.ph</p> <p>Commission on Audit (COA) http://coa.gov.ph</p> |
|---|--|

Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

| DISTRIBUTION OF BUDGET DOCUMENTS | | | | | | |
|---|------------|-----------------------------|-----------------|-----------------------|-----------------------|-----------------|
| | Pre-budget | Executive’s Budget Proposal | | | | Citizens budget |
| | | Main document | Budget summary* | Supporting Document 1 | Supporting Document 2 | |
| A. Not produced, even for internal purposes | | | | | | Yes |
| B. Produced for internal purposes, but not available to the public | Yes | | | | | |
| C. Produced and available to the public, but only on request | | | | | | |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.) | | Yes | Yes | Yes | Yes | |
| <i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i> | | | | | | |
| | Pre-budget | Executive’s Budget Proposal | | | | Citizens budget |
| | | Main document | Budget summary* | Supporting Document 1 | Supporting Document 2 | |
| 1. The release date is known at least one month in advance | NA | Yes | Yes | Yes | Yes | NA |
| 2. Advance notification of release is sent to users, media | NA | Yes | Yes | Yes | Yes | NA |
| 3. Released to public same day as official release to media | NA | Yes | Yes | Yes | Yes | NA |
| 4. Available on the Internet free of charge | NA | Yes | Yes | Yes | Yes | NA |
| 5. Free print copies available, limited distribution | NA | Yes | Yes | Yes | Yes | NA |
| 6. Free print copies available, mass distribution | NA | No | No | No | No | NA |
| 7. Readily available outside capital and/or big cities ⁺ | NA | Yes | Yes | Yes | Yes | NA |
| 8. Written in more than one language | NA | No | No | No | No | NA |
| 9. News conference is held to discuss release | NA | Yes | Yes | Yes | Yes | NA |

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

⁺Mark “Yes” if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Table 4. Distribution of the Enacted Budget and Other Reports

| DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS | | | | | |
|---|----------------|-----------------|-----------------|-----------------|--------------|
| | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| A. Not produced, even for internal purposes | | | | | |
| B. Produced for internal purposes, but not available to the public | | | Yes | | |
| C. Produced and available to the public, but only on request | | | | | |
| D. Produced and distributed to the public (for example, in libraries, posted on the Internet.) | Yes | Yes | | Yes | Yes |
| <i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them?</i> | | | | | |
| | Enacted budget | In-year reports | Mid-year review | Year-end report | Audit report |
| 1. The release date is known at least one month in advance | Yes | Yes | NA | Yes | Yes |
| 2. Advance notification of release sent to users, media | Yes | Yes | NA | Yes | No |
| 3. Released to public same day as official release to media | Yes | Yes | NA | Yes | No |
| 4. Available on the Internet free of charge | Yes | Yes | NA | Yes | Yes |
| 5. Free print copies available, limited distribution | Yes | No | NA | No | Yes |
| 6. Free print copies available, mass distribution | No | No | NA | No | No |
| 7. Readily available outside capital/big cities ⁺ | Yes | Yes | NA | Yes | Yes |
| 8. Written in more than one language | No | No | NA | No | No |
| 9. News conference is held to discuss release | Yes | Yes | NA | Yes | No |

⁺Mark "Yes" if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Section Two: The Executive's Budget Proposal

Notes on abbreviations:

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

Note 1: The Open Budget Survey research process was carried out over a 12-month period and the final version of the Open Budget Questionnaires reflect decisions made after multiple rounds of discussions between Survey researchers, peer reviewers, and the International Budget Partnership (IBP) (in several countries these decisions also considered comments received from governments). When peer reviewers or governments agreed with the answers provided by researchers, they often provided no comment. Thus for many questions, the section in the questionnaire that should contain peer reviewer comments is left blank. However, if the government did not provide any comments to a question (because it did not dispute the answer), the section within the questionnaire that is meant to reflect government comments specifies the answer that the government agreed with (by default).

Since the IBP continued its discussions with the researchers even after receiving peer reviewer and government comments, for some questions these discussions resulted in a mutual decision to change the answers, even if the peer reviewers and governments agreed with the original answer provided by the researcher. Such changes may have happened as a result of:

1. A more consistent application of the Survey methodology;
2. New information identified by the researcher or by IBP that had a bearing on the answer for a particular question; or
3. Decisions made to ensure cross-country comparability of answers.

For more information on these changes for any question please write to info@internationalbudget.org.

| The Executive's Budget Proposal | |
|---|---|
| Estimates for the Budget Year and Beyond | |
| <p>1. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit. Expenditures are classified by administrative unit, but some small units are not shown separately. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented. Not applicable/other (please comment). <p><u>Citation:</u> Expenditures presented by administrative unit are provided in Section B of the 2009 Budget of Expenditures and Sources of Financing (BESF). Some expenditure, however, are classified by special purpose fund (SPF). These data can be found on page 37 of Table B.2.c (http://www.dbm.gov.ph/BESF09/B.2.c.pdf), page 37 of Table B.3.c (http://www.dbm.gov.ph/BESF09/B.3.c.pdf), and page 21 of Table B.4.c (http://www.dbm.gov.ph/BESF09/B.4.c.pdf).</p> <p><u>Comment:</u> For instance, Table B.2.c titled "Personal Services, By Agency/Sub-Special Purpose Fund, CY 2009" lists four items under SPF: Agriculture and Fisheries Modernization Program; Allocation to Local Government Units; Miscellaneous Personnel Benefits Fund; and, Pension and Gratuity Fund.</p> <p>It is important to note that some of the expenditures listed under SPF, i.e., Agriculture and Fisheries Modernization Program, are then classified by administrative unit or implementing agency.</p> <p><u>Researcher Response to this Question was "b"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's original answer "b," which the IBP modified for consistency purposes.</p> <p><u>IBP Comment:</u> IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | a |

2. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?

- a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.
- b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.
- c. Some, but not all, expenditures are classified by function.
- d. No expenditures classified by function are presented.
- e. Not applicable/other (please comment).

Citation:

In reference to Table B.7 titled "Expenditure Program By Sector, FYs 2007-2009" of the 2009 BESF (<http://www.dbm.gov.ph/BESF09/B.7.pdf>), expenditures in the executive's budget proposal are presented by functional classification, but the way these were categorized is not compatible with the Organisation for Economic Co-operation and Development's (OECD) Classification of the Functions of Government (COFOG). See page 76 of the the International Monetary Fund's (IMF) Government Finance Statistics Manual 2001.

Comment:

The 2009 BESF presents expenditures in six major categories: economic services, social services, defense, general public services, net lending, and debt service. The COFOG, meanwhile, lists ten functions. For instance, house and community amenities, health, education, and social protection are all listed as main categories in the COFOG. In the Philippine expenditure program, these are all listed under social services.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

3. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?

- a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.
- b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.
- c. Some, but not all, expenditures are classified by economic classification.
- d. No expenditures classified by economic classification are presented.
- e. Not applicable/other (please comment).

Citation:

Table B.1 titled "Expenditure Program, By Object, CY 2007-2009" of the 2009 BESF (<http://www.dbm.gov.ph/BESF09/B.1.pdf>) and/or Table IV titled "Obligation by Major Expense Class, FY 2007-2009" of the 2009 NEP (http://www.dbm.gov.ph/NEP09/genintro09.htm#nep_2005_table4) show expenditures classified into three items: current operating expenditures, capital outlays, and net lending. Current operating expenditures are then categorized as personal services and maintenance and other operating expenses.

Comment:

The categories set in the executive's budget proposal differ from those set by the IMF Government Financing Statistics Manual. See page 179.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

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| <p>4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ul style="list-style-type: none"> a. Program-level data are presented for all expenditures. b. Program-level data are presented for at least two-thirds of, but not all, expenditures. c. Program-level data are presented, but for less than two-thirds of expenditures. d. No program-level data are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Information is provided for program-level expenditures. For example, see the appropriation of funds for the Department of Education (http://www.dbm.gov.ph/NEP09/DECS/DECS.pdf). Some offices, however, such as the Senate do not provide program-level detail for its budget. See http://www.dbm.gov.ph/NEP09/CONGRESS/A.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |
| <p>5. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> a. Yes, multi-year estimates of aggregate expenditure are presented. b. No, multi-year estimates of aggregate expenditure are not presented. c. Not applicable/other (please comment). <p><u>Citation:</u> The Executive's budget proposal presents expenditures two years prior to the budget year -- not after. Please refer to the 2009 BESF (http://www.dbm.gov.ph/index.php?pid=9&xid=32&id=927) or the 2009 NEP (http://www.dbm.gov.ph/index.php?pid=9&xid=30&id=929).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |

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| <p>6. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to 2009 NEP provided in this link: http://www.dbm.gov.ph/index.php?pid=9&xid=30&id=929</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |
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| <p>7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ol style="list-style-type: none"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Information pertaining to different sources of tax revenue can be found in Table C.3 titled "Tax Revenue Program, By Collecting Department/Agency, By Source, 2007-2009" of the 2009 BESF (http://www.dbm.gov.ph/BESF09/C3.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |
| <p>8. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ol style="list-style-type: none"> All sources of non-tax revenue are identified individually. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. No sources of non-tax revenues are identified individually. Not applicable/other (please comment). <p><u>Citation:</u> Information identifying different sources of non-tax revenue can be found in Table C.5 titled "Nontax Revenue Program, By Collecting Department/Agency, By Source, 2007-2009" of the 2009 BESF (http://www.dbm.gov.ph/BESF09/C.5.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

| | |
|--|---|
| <p>9. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate revenue are presented. b. No, multi-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation:</u> The executive's budget proposal presents revenues two years prior to the budget year -- not after. See Table C.1 titled "Revenue Program, By Source, 2007-2009" of the 2009 BESF (http://www.dbm.gov.ph/BESF09/C1.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | b |
| <p>10. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <p>a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, multi-year estimates are presented, but only for some individual sources of revenue. d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> See Table C.1 titled "Revenue Program, By Source, 2007-2009" (http://www.dbm.gov.ph/BESF09/C1.pdf) or Table C.2 titled "List of Revenue Measures" (http://www.dbm.gov.ph/BESF09/C2.pdf) of the 2009 BESF.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |

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|---|---|
| <p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ul style="list-style-type: none"> a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget). b. Yes, the data reflect the outstanding debt at the end of the budget year. c. Yes, the data reflect the outstanding debt at the start of the budget year. d. No, data on the outstanding debt are not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Table D.3 titled “Outstanding Debt of the National Government, As of Year End, 2007-2009” of the 2009 BESF. This can be seen on the Web at: http://www.dbm.gov.ph/BESF09/D3.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>12. Does the executive’s budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <ul style="list-style-type: none"> a. Yes, interest payments on the debt are presented. b. No, interest payments on the debt are not presented. c. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Table B.18 titled “National Government Debt Service Expenditures, 2007-2009” of the 2009 BESF. This can be found on the Web at: http://www.dbm.gov.ph/BESF09/B18.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |

13. Does the executive's budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?

- a. Yes, extensive information related to the composition of government debt is presented.
- b. Yes, key additional information is presented, but some details are excluded.
- c. Yes, some additional information is presented, but it lacks important details.
- d. No, additional information related to the composition of government debt is not presented.
- e. Not applicable/other (please comment).

Citation:

Please refer to Table B.18 titled "National Government Debt Service Expenditures, 2007-2009," Table B.19 titled "Domestic Debt Service for Regular Liabilities of the National Government, 2007-2009," Table B.20 titled "Sinking Fund Provision for the Retirement of Domestic Debt, 2007-2009," Table B.21 titled "Domestic Debt Service for Liabilities Assumed by the National Government, CY 2007-2009," Table B.22 titled "Debt Service of Regular Liabilities of the National Government, By Creditor, 2007-2009" and Table B.23 titled "Foreign Debt Service For Liabilities Assumed by the National Government CY 2007-2009" of the 2009 BESF. These information can be found on the Web at:

<http://www.dbm.gov.ph/BESF09/B18.pdf>;
<http://www.dbm.gov.ph/BESF09/B19.pdf>;
<http://www.dbm.gov.ph/BESF09/B20.pdf>;
<http://www.dbm.gov.ph/BESF09/B21.pdf>;
<http://www.dbm.gov.ph/BESF09/B22.pdf>; and,
<http://www.dbm.gov.ph/BESF09/B23.pdf>

Comment:

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "a." Extensive information related to the composition of government debt is prescribed.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "b" is the most appropriate answer because information on the maturity profile of the debt is incomplete.

IBP Comment: IBP editors chose answer "b" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

b

14. Does the executive's budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?
- Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.
 - Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.
 - Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.
 - No, information related to the macroeconomic forecast is not presented.
 - Not applicable/other (please comment).

Citation:

Please refer to Table A.1 titled "Macroeconomic Assumptions, 2005-2009" of the 2009 BESF (<http://www.dbm.gov.ph/BESF09/A.1.pdf>), The President's Budget Message (PBM), FY 2009 (<http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940>), and pages 5 to 7 of the National Budget Call, FY 2009 (publicly available but not on the Internet).

Comment:

The 2009 BESF lists forecasts of the gross national product, gross domestic product, inflation rate, population, 91-day treasury bill rate, foreign exchange rate, London Inter Bank Offered Rate (LIBOR), Dubai crude oil price, level and growth rate of exports and imports, current account balance, and gross international reserves. Also, the 2009 PBM discusses expected tax and non-tax revenues for the budget year.

The Executive's budget proposal presents key macroeconomic assumptions but other important details, i.e., rates of employment and unemployment, are excluded. The OECD Best Practices for Budget Transparency (2001) suggests that components of the forecast should also include these.

b

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "c." There is no explanation for the macroeconomic forecasts. Important details are lacking such as, for example, rates of employment and underemployment. Also lacking are growth rates by sector.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "b" is the most appropriate answer. The National Budget Call as a supporting document to the Executive's budget proposal provides a brief narrative on macroeconomic and fiscal targets. See pages 5 to 7 of the 2009 National Budget Call.

IBP Comment: IBP editors chose answer "b" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

15. Does the executive's budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?
- Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.
 - Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.
 - Yes, some information is presented, but it lacks important details.
 - No, information on the impact of different macroeconomic assumptions on the budget is not presented.
 - Not applicable/other (please comment).

Citation:

Comment:

According to Gisela Lopez, director of the Fiscal Planning Bureau of the DBM, the impacts of certain macroeconomic assumptions such as inflation, foreign exchange rate, gross domestic product, etc. were considered in the preparation of the national government's budget. But this analysis was only shown to Congress (specifically to the members of the House Committee on Appropriations and the Senate Finance Committee) when the Development Budget Coordination Committee (DBCC) presented the President's budget proposal.

d

Researcher Response to this Question was "d"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: The executive's budget proposal or its other supporting documents do not show the impact of different macroeconomic assumption but the Congressional Planning and Budget Department prepared the 2009 Budget Briefer released on September 2008, providing for 2009 economic and fiscal outlook, scenarios and prospects. Please refer to: <http://www.congress.gov.ph/download/cpbd/macro09.pdf>

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I suggest the answer should remain as I indicated in the questionnaire "d." Peer Reviewer Two's comment should be noted.

IBP Comment: IBP editors chose answer "d" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

16. Does the executive's budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?
- a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.
 - b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.
 - c. Yes, some information is presented, but it lacks important details.
 - d. No, information on the impact of policy proposals on expenditures is not presented.
 - e. Not applicable/other (please comment).

Citation:

Please refer to the 2009 PBM (<http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940>) and the 2009 Organizational Performance Indicator Framework (OPIF) titled "A Book of Outputs of Departments and Agencies" (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).

Comment:

The previous round of research identified an internal document (2007-2009 Budget Strategy), which was supposedly the pre-budget statement. This document in PowerPoint format was shown to the PCIJ and was described as including forward estimates for both existing and new policies. This year, the DBM has produced the Paper on Budget Strategy for FY 2009, but it is still not for public consumption.

Some information, however, is presented in the 2009 PBM. See pages 4 to 6. Aside from the government's set priorities, this document mentions of the OPIF, a performance-based approach in budgeting, which was first implemented in 2007.

While the OPIF is not a new policy, it is now being implemented in all national government agencies (63 departments/agencies, including other executive offices) and in state universities and colleges. In 2007, the OPIF piloted in 20 departments.

The 2009 OPIF presents a matrix of performance measures and targets covering FYs 2007-2009. These tables show major final outputs and the target amount of expenditure for the budget year.

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "c." Some information is presented, but it lacks important details. The PBM is a brief summary of the themes and major content of the proposed budget. It is made available to all members of Congress and the general public. The OPIF is of limited circulation and is not used by legislators in their review of the budget proposal.

Peer Reviewer Two Comment:

b

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| <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> <p><u>IBP Comment:</u> IBP editors chose answer “b” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p> | |
| <p>17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ol style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on revenues is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to pages 7 to 10 of the 2009 PBM using this link: http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940</p> <p><u>Comment:</u> The DBM says that discussion on the impact of policy proposals is usually done on the expenditure aspect of the budget. However, the Department ensures that non-tax revenues generated by agencies are already reflected in the estimates.</p> <p><u>Researcher Response to this Question was “c”</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “d.” The question refers to the impact of policy proposals on revenues. For example, a 30% increase in wages would have a significant impact on personal income taxation. Massive investment in public infrastructure where user charges may apply may have an impact on user fees collected by the government. No such discussion exists.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> <p><u>Researcher Response:</u> I retain my view that “c” is the most appropriate answer. The 2009 President's Budget Message briefly discussed how policies affect revenues.</p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the <i>Guide to the Open Budget Questionnaire</i>.</p> | C |

| Estimates for Years Prior to the Budget Year | |
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| <p>18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> a. All expenditures are classified by administrative unit for BY-1. b. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. c. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. d. No expenditures classified by administrative unit are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> Expenditures presented by administrative unit are provided in Section B of the 2009 BESF. Some expenditure, however, are classified by special purpose fund (SPF). These data can be found on page 37 of Table B.2.b (http://www.dbm.gov.ph/BESF09/B.2.b.pdf), page 37 of Table B.3.b (http://www.dbm.gov.ph/BESF09/B.3.b.pdf), and page 21 of Table B.4.c (http://www.dbm.gov.ph/BESF09/B.4.c.pdf) of the 2009 BESF.</p> <p><u>Comment:</u> Classification of expenditures is the same in 2009 and in 2008 (BY-1).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | b |

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| <p>19. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ul style="list-style-type: none"> a. All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. b. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by function for BY-1. d. No expenditures classified by function are presented for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> In reference to Table B.7 titled “Expenditure Program By Sector, FYs 2007-2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/B.7.pdf), expenditures in the executive's budget proposal are presented by functional classification, but the way these were categorized is not compatible with the Organisation for Economic Co-operation and Development's (OECD) Classification of the Functions of Government (COFOG). See page 76 of the the International Monetary Fund's (IMF) Government Finance Statistics Manual 2001.</p> <p><u>Comment:</u> Classification of expenditures is the same in 2009 and in 2008 (BY-1).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>b</p> |
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20. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?
- a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.
 - b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.
 - c. Some, but not all, expenditures are classified by economic classification for BY-1.
 - d. No expenditures classified by economic classification are presented for BY-1.
 - e. Not applicable/other (please comment).

Citation:

Table B.1 titled "Expenditure Program, By Object, CY 2007-2009" of the 2009 BESF (<http://www.dbm.gov.ph/BESF09/B.1.pdf>) and/or Table I titled "Obligation by Major Expense Class, FY 2007-2009" of the 2009 NEP (http://www.dbm.gov.ph/NEP09/genintro09.htm#nep_2005_table4) show that expenditures are presented into three items: current operating expenditures, capital outlays, and net lending. Current operating expenditures are then categorized as personal services and maintainance and other operating expenses.

Comment:

The categories set in the executive's budget proposal differ from those set by the IMF Government Financing Statistics Manual. See page 179.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

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| <p>21. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none">a. Program-level expenditure data are presented for all expenditures for BY-1.b. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.c. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.d. No program-level expenditure data are presented for BY-1.e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 NEP using this link: http://www.dbm.gov.ph/index.php?pid=9&xid=30&id=929</p> <p><u>Comment:</u> The 2009 NEP presents expenditures by program for the current budget year only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |
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22. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?

- a. All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.
- b. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.
- c. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.
- d. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.
- e. Not applicable/other (please comment).

Citation:

See Table B.1 titled "Expenditure Program, By Object, CY 2007-2009" of the 2009 BESF (<http://www.dbm.gov.ph/BESF09/B.1.pdf>).

Comment:

Researcher Response to this Question was "a"

Peer Reviewer One Comment: A more appropriate response to this question would be "b." For fiscal year 2009, the proposed budget, what is reflected for 2008 (BY-1) are actual expenditures for the first quarter of 2008 plus other adjustments to the 2008 expenditure program. The result is the 2008 adjusted budget program.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "a," which the IBP modified for consistency purposes.

Researcher Response: I chose my answer "b" because clarifications made with the DBM indicate that estimates for 2008 do not reflect the full six months of actual expenditure. The peer reviewer's comment should be noted.

IBP Comment: IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

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| <p>23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented.</p> <p>b. No, such prior-year estimates of aggregate expenditure are not presented.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> See Table B.1 titled “Expenditure Program, By Object, CY 2007-2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/B.1.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u> I agree with the rating “a.” The fiscal data for the ensuing fiscal year (BY) are usually accompanied by actual data for the immediate past year (BY-2) and the ongoing fiscal year, adjusted (BY-1). Thus for fiscal year 2009 budget, the actual data for 2007 and adjusted data for 2008 are both presented.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>a</p> |
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| <p>24. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ol style="list-style-type: none"> a. Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). b. Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. c. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. d. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation:</u> As in 2009, expenditures for BY-2 (2007) are presented by administrative unit and by functional and economic classifications. However, no program-level expenditures are identified in this particular year. For example, see the appropriation of funds for the Department of Education (http://www.dbm.gov.ph/NEP09/DECS/DECS.pdf) and the Department of Environment and Natural Resources (http://www.dbm.gov.ph/NEP09/DENR/DENR.pdf)</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>b</p> |
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| <p>25. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for all expenditures are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> Table B.1 titled "Expenditure Program, by Object, CY 2007-2009" of the 2009 BESF presents actual outcome of expenditures for BY-2 (2007). This information can be found on the Web at: http://www.dbm.gov.ph/BESF09/B.1.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>a</p> |
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| <p>26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?</p> <ul style="list-style-type: none"> a. Yes, prior-year data are always adjusted to be comparable to the budget year data. b. Yes, in most cases, prior-year data are adjusted to be comparable. c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Table B.1 titled "Expenditure Program, by Object , CY 2007-2009" of the 2009 BESF (http://www.dbm.gov.ph/BESF09/B.1.pdf).</p> <p><u>Comment:</u></p> <p><u>Researcher Response to this Question was "b"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> A more appropriate response to this question would be "a." Prior years' Budget of Expenditures and Sources of Financing (2003, 2005, 2007, and 2008) were all adjusted to be comparable with budget year estimate. Note that copies of 2004 and 2006 are not available in the Internet.</p> <p><u>Government Comment:</u> Government did not dispute researcher's original answer "b," which the IBP modified for consistency purposes.</p> <p><u>Researcher Response:</u> I chose my answer "a" because clarifications with the DBM indicate that estimates are made comparable with budget-year estimates. The peer reviewer's comment should be noted.</p> <p><u>IBP Comment:</u> IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <p>a</p> |
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| <p>27. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. All tax revenues are identified individually for BY-1. b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually. c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually. d. No tax revenues are identified individually for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> Information pertaining to different sources of tax revenue for BY-1 (2008) can be found in Table C.3 titled “Tax Revenue Program, By Collecting Department/Agency, By Source, 2007-2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/C3.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>28. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. All non-tax revenues are identified individually for BY-1. b. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. c. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. d. No non-tax revenues are identified individually for BY-1. e. Not applicable/other (please comment). <p><u>Citation:</u> Information identifying different sources of non-tax revenue for BY-1 (2008) can be found in Table C.5 titled “Nontax Revenue Program, By Collecting Department/Agency, By Source, 2007-2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/C.5.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |

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| <p>29. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ul style="list-style-type: none"> a. All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. b. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. c. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. d. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> See Table C.1 titled “Revenue Program, By Source, 2007-2009” (http://www.dbm.gov.ph/BESF09/C1.pdf), Table C.2 titled “List of Revenue Measures” (http://www.dbm.gov.ph/BESF09/C2.pdf), and Table C.4 titled “Revenue Program, By Collecting Department, 2007-2009” (http://www.dbm.gov.ph/BESF09/C4.pdf) of the 2009 BESF.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |
| <p>30. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> a. Yes, such prior-year estimates of aggregate revenue are presented. b. No, such prior-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment). <p><u>Citation:</u> See Table C.1 titled “Revenue Program, By Source, 2007-2009” (http://www.dbm.gov.ph/BESF09/C1.pdf), Table C.2 entitled “List of Revenue Measures” (http://www.dbm.gov.ph/BESF09/C2.pdf), and Table C.4 entitled “Revenue Program, By Collecting Department, 2007-2009” (http://www.dbm.gov.ph/BESF09/C4.pdf) of the 2009 BESF.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |

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| <p>31. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the five tables under Section C of the 2009 BESF: http://www.dbm.gov.ph/BESF09/C1.pdf; http://www.dbm.gov.ph/BESF09/C2.pdf; http://www.dbm.gov.ph/BESF09/C3.pdf; http://www.dbm.gov.ph/BESF09/C4.pdf; and http://www.dbm.gov.ph/BESF09/C.5.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>a</p> |
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| <p>32. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for all revenues are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> Table C.1 titled "Revenue Program, By Source, 2007-2009" (http://www.dbm.gov.ph/BESF09/C1.pdf) and Table C.4 titled "Revenue Program, By Collecting Department, 2007-2009" (http://www.dbm.gov.ph/BESF09/C4.pdf) of the 2009 BESF present actual outcome of revenues for BY-2 (2007).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>a</p> |
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33. Does the executive's budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?

- a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.
- b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.
- c. Yes, but only information on the level of debt is presented.
- d. No, information related to the government debt for BY-1 is not presented.
- e. Not applicable/other (please comment).

Citation:

Table D.3 titled "Outstanding Debt of the National Government, As of Year End, 2007-2009" (<http://www.dbm.gov.ph/BESF09/D3.pdf>), Table B.22 titled "Debt Service of Regular Liabilities of the National Government, By Creditor, 2007-2009," and Table B.23 titled "Foreign Debt Service For Liabilities Assumed by the National Government CY 2007-2009" (<http://www.dbm.gov.ph/BESF09/B23.pdf>) of the 2009 BESF present data on government debt for BY-1 (2008).

Comment:

Researcher Response to this Question was "b"

Peer Reviewer One Comment: A more appropriate response to this question would be "a." Extensive information is presented on the level and composition of government debt for the two years (BY-2 and adjusted BY-1) preceding the budget year.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "b."

Researcher Response: I retain my view that "b" is the most appropriate answer because information on the maturity profile of the debt is incomplete.

IBP Comment: IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.

b

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| <p>34. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for government debt are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Table D.3 titled “Outstanding Debt of the National Government, As of Year End, 2007-2009” (http://www.dbm.gov.ph/BESF09/D3.pdf), Table B.22 titled “Debt Service of Regular Liabilities of the National Government, By Creditor, 2007-2009,” and Table B.23 titled “Foreign Debt Service For Liabilities Assumed by the National Government CY 2007-2009” (http://www.dbm.gov.ph/BESF09/B23.pdf) of the 2009 BESF.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>a</p> |
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| <p>35. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ul style="list-style-type: none"> a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on extra-budgetary funds is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the following tables in the 2009 BESF: Table B.16 titled “Earmarked Revenues, 2009” (http://www.dbm.gov.ph/BESF09/B.16.pdf); Table B.18 titled “National Government Debt Service Expenditures, 2007-2009” (http://www.dbm.gov.ph/BESF09/B18.pdf); Table J.1 titled “Budget Impact of CB Restructuring, 2007-2009” (http://www.dbm.gov.ph/BESF09/J1.pdf); and, Tables G.1 to G.6 under State Universities and Colleges.</p> <p><u>Comment:</u> Lopez explains that the national budget is a comprehensive budget that tries to capture almost all of the expenditures of departments and agencies. The BESF presents the earmarked revenues and expenditures broken down by departments and programmed for the specified budget year. See Table B.16 of the 2009 BESF.</p> <p>The DBM defines “off-budget items” as expenditure items that are not part of the national budget. Principal repayments are considered off-budget items and these items are presented in Table B.18 of the BESF. Non-budgetary accounts such as trust liabilities, securities unloaded or purchased, sinking fund, and other accounts not included in the NG budget, e.g., the budget impact of Central Bank restructuring are also presented in Table J.1 of the BESF. Likewise, the retained income of the state universities and colleges is no longer included in the budget, but are disclosed in BESF under Tables G.1 to G.6.</p> <p><u>Researcher Response to this question was “c”</u></p> <p><u>Peer Reviewer One Comment:</u> See Comments as they refer to some off-budget items which are provided in the BESF for information. Grants to local governments are automatically appropriated but are provided for in the BESF (Tables F.1 (Comparison of Allocation to Local Government Units, FY2007-2009) and F.2 (Comparison of Allocation to Local Government Units, FY2009)).</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> A more appropriate response to this question would be “b.”</p> <p><u>IBP Comment:</u> IBP editors chose answer “b” to maintain consistency across</p> | b |

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| <p>the consistency of the data across countries.</p> | |
| <p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on intergovernmental transfers is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Part XXXVII, Section 1 of the 2009 NEP titled "Allocations to Local Government Units" (http://www.dbm.gov.ph/NEP09/ALGUF/ALGUF.pdf).</p> <p><u>Comment:</u></p> <p><u>Researcher Response to this Question was "b"</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "a." Extensive information on intergovernmental transfers is presented, although no narrative discussion and quantitative estimates are given. The information is contained in Tables F.1 to F.16 (pp. 407 to 528) of the Budget of Expenditures and Sources of Financing). Detailed narrative discussion and quantitative estimates are inappropriate since the intergovernmental transfers are formula-based. The aggregate transfer is computed based on internal taxes collected three years ago.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> <p><u>Researcher Response:</u> I retain my view that "b" is the most appropriate answer. The 2009 NEP provides some discussion but not for all allocations. The 2009 PBM also provides some narrative, but this is general and brief. See pages 11 to 14.</p> <p><u>IBP Comment:</u> IBP editors chose answer "b" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <p>b</p> |

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| <p>37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ul style="list-style-type: none"> a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on transfers to public corporations is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> See Table E.11 titled “Cash Flow Statement of Selected Government Corporations, FY 2009” (http://www.dbm.gov.ph/BESF09/E.11.pdf) and Table E.14 titled “Sources and Uses of Fund, Obligation Basis, FY 2009” (http://www.dbm.gov.ph/BESF09/E14.pdf) of the 2009 BESF.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>b</p> |
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| <p>38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ul style="list-style-type: none"> a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates. b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on quasi-fiscal activities is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> See Table E.13 of the 2009 BESF titled "Sources and Uses of Fund, Obligation Basis, FY 2008 / Gross of Tax Subsidy and Conversions" (http://www.dbm.gov.ph/BESF09/E13.pdf).</p> <p><u>Comment:</u> Table E.13 of the 2009 BESF presents a summary of the sources and uses of funds of government financial institutions (GFI) such as the provision of loans at lower rates by the Landbank to farmers. However, these amounts are lumped together with other expenditures of the particular GFI. A detailed report may be requested from the particular GFI.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | C |
| <p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Lopez says financial assets held by the national government are not yet presented in the BESF.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |

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| <p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on non-financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Lopez says non-financial assets held by the national government are not yet presented in the BESF.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |
| <p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on expenditure arrears is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Lopez says assets and liabilities of departments and the national government, including expenditure arrears are not yet presented in the BESF.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |

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| <p>42. Does the executive’s budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on contingent liabilities is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the four tables under Section I of the the 2009 BESF: http://www.dbm.gov.ph/BESF09/I1.pdf; http://www.dbm.gov.ph/BESF09/I2.pdf; http://www.dbm.gov.ph/BESF09/I3.pdf; and http://www.dbm.gov.ph/BESF09/I4.pdf</p> <p><u>Comment:</u> There is none at the moment, Lopez says. The Department of Finance (DOF) has an ongoing study on this. The 2009 BESF, however, presents a reporting on Build Operate Transfer (BOT) projects, which are in Tables I.1 to I.4.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |
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| <p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the peer reviewer's citation and Section XLVIII of the 2009 NEP (http://www.dbm.gov.ph/NEP09/PGF/PGF.pdf).</p> <p><u>Comment:</u> Some information on pension and gratuity fund is presented.</p> <p><u>Researcher Response to this question was "d"</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> The National Expenditure Program (NEP) and Budget Expenditure and Sources of Financing include information on future liabilities such as Pension and Gratuity Fund, and Miscellaneous Personnel Benefits Fund. Information presented on these items is limited only to budgetary allocation. Please refer to the following for examples: http://www.dbm.gov.ph/BESF09/B.8.pdf http://www.dbm.gov.ph/NEP09/genintro09.htm#nep_2005_table1 http://www.dbm.gov.ph/NEP09/DFA/B.pdf</p> <p><u>Government Comment:</u> Government did not dispute researcher's original answer "d," which the IBP modified for consistency purposes.</p> <p><u>IBP Comment:</u> IBP editors chose answer "c" to maintain consistency across the consistency of the data across countries.</p> | C |
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| <p>44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ul style="list-style-type: none"> a. All sources of donor assistance are identified individually. b. At least two-thirds of, but not all, sources of donor assistance, are identified individually. c. Less than two-thirds of sources of donor assistance are identified individually. d. No sources of donor assistance are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> Details on the sources of donor assistance are indicated in Table B.15 titled “Foreign Assisted Projects By Donor/Creditor, FY 2007-2009” and Table B.14 titled “Foreign Assisted Projects By Department/Agency and Special Purpose Fund, FY 2007-2009” of the 2009 BESF. These tables are available at: http://www.dbm.gov.ph/BESF09/B15.pdf and http://www.dbm.gov.ph/BESF09/B14.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>b</p> |
| <p>45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ul style="list-style-type: none"> a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on tax expenditures is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to Table L titled “Tax Expenditures Fund” of the 2009 NEP (http://www.dbm.gov.ph/NEP09/TEF/TEF.pdf) and Table B.24 titled “National Government Cash Disbursements, 2007-2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/B24.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>c</p> |

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| <p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> a. All earmarked revenues are identified individually. b. At least two-thirds of, but not all, earmarked revenues are identified individually. c. Less than two-thirds of earmarked revenues are identified individually. d. No earmarked revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation:</u> Earmarked revenues are identified in Table B.16 titled “Earmarked Revenues, 2009” of the 2009 BESF (http://www.dbm.gov.ph/BESF09/B.16.pdf). Income generated by state colleges and universities are also listed in the 2009 BESF. See Table G3 titled “Statement of Receipts - State Universities and Colleges, FY 2009” provided in this link: http://www.dbm.gov.ph/BESF09/G3.pdf</p> <p><u>Comment:</u> Income from hospitals, as indicated in the previous round of research, is not found in the executive's budget proposal. Lopez says there is no similar reporting for public hospitals in the said document. However, in compliance with the Budget Call, she notes that the Department of Health is requested to submit their reporting of receipts and expenditures outside the Bureau of Treasury records through the Budget Preparation Form 500.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |
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47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?

- a. One percent or less of expenditure is dedicated to secret items.
- b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.
- c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.
- d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.
- e. Not applicable/other (please comment).

Citation:

The 2009 GAA shows that some departments/agencies and offices have listed amounts that are meant for "confidential and intelligence" expenses. Please refer to the following tables:

<http://www.dbm.gov.ph/GAA09/OP/OP.pdf>;
<http://www.dbm.gov.ph/GAA09/dilg/DILG.pdf>;
<http://www.dbm.gov.ph/GAA09/doj/doj2.pdf>;
<http://www.dbm.gov.ph/GAA09/dnd/DND.pdf>;
<http://www.dbm.gov.ph/GAA09/OEO/P.pdf>; and
<http://www.dbm.gov.ph/GAA09/OEO/Q.pdf>

The DBM website cites a news report that mentions of a P1.52-billion worth of intelligence fund in the 2009 budget. See <http://www.dbm.gov.ph/index.php?pid=3&nid=1896>

Following this figure, the estimated amount of expenditure dedicated to intelligence funds for 2009 would be around 0.11 percent of the total approved budget of P1.4 trillion.

Comment:

While budget documents list some of the "confidential and intelligence" funds, there is no information on other secret items, which ultimately makes it difficult to calculate how much of the expenditure is allotted for all secret items.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

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| The Budget Narrative & Performance Monitoring | |
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| <p>48. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ol style="list-style-type: none"> Yes, extensive information on the link between the budget and the government’s stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government’s stated policy goals is not presented. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u> The 2009 OPIF presents a matrix of performance measures and targets covering FYs 2007-2009. These tables show major final outputs and the target amount of expenditure for the budget year. No narrative discussion, however, is provided.</p> <p>This approach was first implemented in 2007 and piloted in 20 departments. It is now being implemented in all national government agencies (63 departments/agencies, including other executive offices) and in state universities and colleges.</p> <p><u>Researcher Response to this Question was “b”</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be “c.” Before 2001, the budget of expenditures and sources of financing is accompanied by extensive write-ups linking the budget to government’s stated goals, by administrative unit (or functional category). This was discontinued in 2002. What is presented to Congress by the President is a set of tables and another document called the President’s Budget Message (PBM). The PBM is a brief document that summarizes the theme of the annual budget and the priorities of the government for the ensuing fiscal year.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> <p><u>Researcher Response:</u> I retain my view that “b” is the most appropriate answer. In the 2009 OPIF, an agency’s societal and sectoral goals are translated into specific “organizational outcomes” and “major final outputs.” The budget/expenditure is allocated by major final output.</p> <p><u>IBP Comment:</u> IBP editors chose answer “b” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | b |

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| <p>49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the major policy goals, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u> The 2009 OPIF presents a matrix of performance measures and targets covering FYs 2007-2009 only.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |
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| <p>50. Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ul style="list-style-type: none"> a. Non-financial data are presented for all programs. b. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures. c. Non-financial data are presented for programs representing less than two-thirds of expenditure. d. No non-financial data are presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u> The OPIF for the Department of Education, for example, includes the latest data on public elementary and secondary enrolment.</p> <p>This approach was first implemented in 2007 and piloted in 20 departments. It is now being implemented in all national government agencies (63 departments/agencies, including other executive offices) and in state universities and colleges.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>a</p> |
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| <p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ol style="list-style-type: none"> The non-financial data are very useful for assessing program performance. The non-financial data are mostly useful for assessing program performance. The non-financial data are somewhat useful for assessing program performance. No non-financial data are provided or they are not useful for assessing program performance. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u> See related comment on Question 50.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> Performance indicators are presented for all programs. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. Performance indicators are presented for programs representing less than two-thirds of expenditures. No performance indicators are presented. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u> See related comment on Question 50.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |

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| <p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ol style="list-style-type: none"> All performance indicators are well designed. Most performance indicators are well designed. Some performance indicators are well designed, but most are not. No programs have performance indicators, or they are not well designed. Not applicable/other (please comment). <p><u>Citation:</u> The OPIF for the Department of Education, for example, includes information on the enrolment, participation, and completion rates in public elementary and secondary schools from 2007 to 2009. One can see if there has been an improvement in the last three years.</p> <p>Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |
| <p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ol style="list-style-type: none"> All performance indicators are used in conjunction with performance targets. Most performance indicators are used in conjunction with performance targets. Some performance indicators are used in conjunction with performance targets, but most are not. No performance indicators are used in conjunction with performance targets. Not applicable/other (please comment). <p><u>Citation:</u> The OPIF details the programs and the major final outputs (MFOs) of each agency. Please refer to the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |

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| <p>55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> See the 2009 PBM (http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940) and the 2009 OPIF (http://www.dbm.gov.ph/opif2009/opif_2009new.htm).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>b</p> |
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| Additional Key Information for Budget Analysis & Monitoring | |
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| <p><i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive's budget proposal or supporting documents, but may be found in other documents issued by the executive.</i></p> | |
| <p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</p> <ol style="list-style-type: none"> a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to tax information available at the Bureau of Internal Revenue (BIR) website: http://www.bir.gov.ph/taxinfo/taxinfo.htm</p> <p>Detailed information is presented for each type of tax. For example, for information on income tax, check http://www.bir.gov.ph/taxinfo/tax_income.htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

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| <p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ul style="list-style-type: none"> a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. c. Yes, some analysis is presented, but it lacks important details. d. No analysis on the distribution of the tax burden is presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Lopez says that this is under the purview of the DOF, particularly of the Bureau of Internal Revenue (BIR).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u> There are studies conducted by the National Tax Research Center (NTRC—an attached agency of Department of Finance) related to tax burden and elasticity of current taxation. However only the abstracts and summary of these studies are available in the internet. The complete copy of these studies will have to be obtained from NTRC. Please refer to the following sites for the listing of the studies made: http://www.ntrc.gov.ph/studies.html#no1 http://serp-p.pids.gov.ph/byInst.php3?pid=10</p> <p><u>Government Comment:</u> The National Tax Research Center (NTRC) did tax burden analysis in 2003, based on 2000 data. The work is published in May-June 2003 NTRC Journal.</p> | <p>d</p> |
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| <p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ol style="list-style-type: none"> a. Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with IFI assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The budget documents from the executive do not show detailed information on the conditions imposed by IFIs, but some indications exist in case of program loans. See Table D.2 entitled "Salient Features of Program Loans, 2007-2009" of the 2009 BESF.</p> <p>However, information from other sources can also be obtained. See the "Official Development Assistance Terms and Conditions of Loans/Grant Assistance (as of 31 August 2009)" from the National Economic and Development Authority (NEDA) website: http://www.neda.gov.ph/progs_prj/oda/31august2009/ODA%20Terms%20&%20Conditions%20_as%20of%2031%20August%202009_.pdf</p> <p>Similarly, information can be obtained from the websites of the IFIs.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>C</p> |
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| <p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ul style="list-style-type: none"> a. Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with donor country assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> See related comment on Question 58.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>C</p> |
| <p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ul style="list-style-type: none"> a. Yes, it provides a summary that is very informative. b. Yes, it provides a summary that is somewhat informative. c. Yes, but the summary is not very informative. d. No, it does not provide a summary. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 PBM here: http://www.dbm.gov.ph/index.php?pid=9&xid=31&id=940</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>a</p> |

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| <p>61. Does the executive publish a "citizens budget" or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <p>a. Yes, it publishes a citizens budget that is very informative. b. Yes, it publishes a citizens budget that is somewhat informative. c. Yes, but the citizens budget is not very informative. d. No, it does not publish a citizens budget. e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> In August 2008, the DBM issued the 2008 Budget in Brief, a 15-page document that contains information such as why the budget is important, where the money comes from, where the money goes, and the government's priority programs.</p> <p>For 2009, however, the DBM did not produce a "Budget in Brief." According to Joy Almazan, information officer of the DBM's Training and Information Service, the budget year is more than halfway through and that this budget document is supposed to be published when the enacted budget is produced. According to Lopez, the Department was not able to prepare the "Budget in Brief" for 2009 due to lack of time and was overtaken by other priorities.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |
| <p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <p>a. Yes, thorough definitions of budget terms are provided. b. Yes, definitions are provided, but some details are excluded. c. Yes, some definitions are provided, but it lacks important details. d. No, definitions are not provided. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The DBM included a glossary of terms in the 2009 BESF. See http://www.dbm.gov.ph/BESF09/GLOSSARY2009.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

63. Do citizens have the right *in law* to access government information, including budget information?
- a. Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.
 - b. Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information.
 - c. Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information.
 - d. No, the right to access government information has not been codified into law, or this right does not include access to budget information.
 - e. Not applicable/other (please comment).

Citation:

The proposed Freedom of Information Act is yet to be ratified by Congress and signed by the President. This measure -- an advocacy of the Access to Information Network (ATIN), independent media and civil society groups -- has been pending in Congress over the last eight years. The 1987 Constitution, however, guarantees the public's right to know and access documents in public agencies that pertain to matters of public interest.

Also, Republic Act No. 6713 or the "Code of Conduct and Ethical Standards for Public Officials and Employees" requires public officials and employees to make all public documents accessible to citizens within 15 days. The law does not define, however, what public documents are. Other problems involve poor information and record-keeping infrastructure and the absence of a list of public records and instructions on how they can be obtained.

Comment:

Researcher Response to this question was "d"

Peer Reviewer One Comment:

Peer Reviewer Two Comment: Although there is no Access to Information Act yet, the 1987 Constitution guarantees this in the bill of Rights, specifically, Article III, section 7. The instruction on the reviewer states that: If the right to access to information exists in the Constitution, but no implementing legislation has been adopted, making it impossible to access information in practice, researchers should mark the answer "c." Article III, section 7, states that "The right of the people to information on matters of public concern shall be recognized. Access to official records, and to documents and papers pertaining to official acts, transactions, or decisions, as well as to government research data used as basis for policy development, shall be afforded the citizen, subject to such limitations as may be provided by law." Although budget document is not specifically named in Section 7, it is an official record and pertains to official act of the government.

Government Comment: Government did not dispute researcher's original

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| <p>answer “d,” which the IBP modified for consistency purposes.</p> <p><u>IBP Comment:</u> IBP editors chose answer “c” to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | |
| <p>64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?</p> <ul style="list-style-type: none"> a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence. b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures. c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures. d. In practice, no highly disaggregated expenditure information is available. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> The level of openness of agencies varies in the country. In general, expenditure information may be requested and obtained. But, as mentioned in Question 63, the constitutional guarantee of the public’s right to information and R.A. No. 6713 do not ensure that information will always be made available to citizens.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>b</p> |

65. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it from a ministry or agency?

- a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.
- b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.
- d. In practice, no highly disaggregated non-financial expenditure information is available.
- e. Not applicable/other (please comment).

b

Citation:

Please refer to the 2009 Staffing Summary here:
<http://www.dbm.gov.ph/index.php?pid=9&xid=33&id=954>

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Section Three: The Budget Process

| The Budget Process | |
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| Executive's Formulation of the Budget | |
| <p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> a. The release date is set in permanent law. b. The executive announces the release date at least two months in advance. c. The executive announces the release date less than two months but more than two weeks in advance. d. The executive announces the release date two weeks or less before the release, or makes no announcement. e. Not applicable/other (please comment). <p><u>Citation:</u> Article VII, Section 22 of the 1987 Constitution mandates that "the President shall submit to the Congress within thirty days from the opening of the regular session, as the basis of the general appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures. This provision in the law can be found at: http://www.gov.ph/index.php?option=com_content&task=view&id=2000321&Itemid=26</p> <p>Also, the DBM follows a budget calendar, which informs the public when the budget will be submitted to Congress. The DBM's Budget Preparation Calendar, FY 2009 is available at: http://www.dbm.gov.ph/bc2009/2009%20CALENDAR.pdf</p> <p>Note that while the 2009 budget calendar states that the "submission of the President's budget to Congress" is scheduled on July 28, 2008, the executive's budget proposal was actually submitted to Congress about a month later on August 27, 2008. See http://www.dbm.gov.ph/index.php?pid=3&nid=1300</p> <p><u>Comment:</u> The presentation is similar to that in the previous round of research, but the researcher's reassessment has led to a change in response. According to the <i>Guide to the Open Budget Questionnaire</i>, the question seeks to determine "the extent to which the executive is open about, and adheres to deadlines for, the presentation of its budget proposal to the legislature" -- not the approved budget.</p> <p>As in previous years, the 2009 budget was passed behind schedule and was only released to the public in March 2009. The law provides that Congress shall pass the budget law by the end of the fiscal year.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

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| <p>67. Does the executive release to the public its timetable for preparation of the executive’s budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget’s formulation)?</p> <p>a. Yes, a detailed timetable is released to the public. b. Yes, a timetable is released, but some details are excluded. c. Yes, a timetable is released, but it lacks important details. d. No, a timetable is not issued to the public. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> Detailed information on the timetable can be found in Annex C of the 2009 National Budget Call, which is publicly available but not on the Internet. But the DBM also publishes the budget calendar in its website. See http://www.dbm.gov.ph/bc2009/2009%20CALENDAR.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <p>a. The executive adheres to the dates in its timetable. b. The executive adheres to most of the key dates in its timetable. c. The executive has difficulty adhering to most of the dates in its timetable. d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. e. Not applicable/other (please comment).</p> <p><u>Citation:</u> See Section 13 of Presidential Decree No. 1177 (http://www.lawphil.net/statutes/presdecs/pd1977/pd_1177_1977.html) and the National Budget Circular No. 519 titled “Guidelines on the Release of Funds for FY 2009” (http://www.dbm.gov.ph/issuance/issuance/nbc_519/nbc_519.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |

69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?

- a. Yes, the executive holds extensive consultations with a wide range of legislators.
- b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.
- c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.
- d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.
- e. Not applicable/other (please comment).

Citation:

In his two terms in Congress, Bukidnon Representative Teofisto L. Guingona III says that the executive has not held any consultations with members of the legislature. Guingona, who is also a member of the House Committee on Appropriations, adds that it is only after the proposed budget is formally submitted to Congress that legislators come to know of budget priorities.

Gabriela Women's Party Representative Liza L. Maza is also not aware of any consultations done by the executive to members of the legislature. She adds that the general appropriations proposal is given to the House of Representatives in the form of five thick books and one pamphlet explaining the rationale of the national budget. These documents are provided three days before the Committee on Appropriations holds its first committee meeting to deliberate on the presentations of the oversight agencies (National Economic and Development Authority, Department of Finance, Department of Budget and Management, and the Central Bank).

Comment:

DBM's Lopez, however, says that the executive consults with Congress through the Legislative Executive Development Advisory Council (LEDAC). She notes that the Philippines is under a presidential form of government wherein the relationship between the executive and legislative is one of "check and balance."

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

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| <p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of constituencies. b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded. c. Yes, the executive holds very limited consultations, involving only a few constituencies. d. No, the executive does not typically consult with the public as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> Lopez says the executive consults with the public through the planning mechanism of the National Economic and Development Authority (NEDA).</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | C |
| <p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> a. The executive releases a pre-budget statement at least four months in advance of the start of the budget year. b. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. c. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. d. The executive does not release a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> The executive produces a pre-budget statement but it has yet to make it publicly available. Director Lopez of the DBM describes the Paper on Budget Strategy as containing the recommended expenditure policy and fiscal framework upon which the preparation of the budget can be anchored. The PBS presents the technical analysis of the fiscal plan, implementation status of the Medium-Term Philippine Development Plan (MTPDP), budgetary trends, and options and choices on sector priorities. The PBS is part of the national government’s efforts to improve policy focus in the allocation of resources.</p> <p>The Open Budget Survey 2008 cited that the DBM then has shown PCIJ a PowerPoint document titled “Budget Strategy FY 2007-2009,” which was then referred to as the Pre-Budget Statement in the 2008 survey.</p> <p>Lopez says this PowerPoint presentation served as a summary of the</p> | d |

2009 Paper on Budget Strategy. As such, it was updated to be consistent with the 2010 PBS, which is also an internal document.

See <http://www.dbm.gov.ph/index.php?pid=2&id=72> or refer to Budget Circular 2008-2 at: <http://www.dbm.gov.ph/issuance/issuance/bc2008-2/bc2008-2.pdf>

Comment:

According to Gisela Lopez, director of the Fiscal Bureau of the Department of Budget and Management (DBM), the Department has produced the Paper on Budget Strategy (PBS) for FY 2009 but that it is an internal document of the Development Budget Coordination Committee (DBCC). This document was produced at the start of the first quarter of 2008.

Lopez describes the Paper on Budget Strategy as containing the recommended expenditure policy and fiscal framework upon which the preparation of the budget can be anchored. The PBS presents the technical analysis of the fiscal plan, implementation status of the Medium-Term Philippine Development Plan (MTPDP), budgetary trends, and options and choices on sector priorities. The PBS is part of the national government's efforts to improve policy focus in the allocation of resources.

The Open Budget Survey 2008 cited that the DBM then has shown PCIJ a PowerPoint document titled Budget Strategy FY 2007-2009, which was then referred to as the Pre-Budget Statement in the 2008 survey. Lopez says this PowerPoint presentation served as a summary of the 2009 Paper on Budget Strategy. As such, it was updated to be consistent with the 2010 PBS, which is also an internal document.

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response to this question would be "a." I consider the Budget Call as the pre-budget statement. The Department of Budget and Management issues the Budget Call to all the line departments and agencies and a month later in May, to the government owned and controlled corporations for the preparation of their respective budgets. The Budget Call includes the budget parameters and guidelines approved by the Development Budget Coordinating Council (DBCC), and it contains the macroeconomic assumptions, the size of the budget deficit and policies on certain specific spending items, such as personal services, maintenance and other operating expenditures, capital outlays. It is discussed in a series of forum for government agencies and is available in the internet <http://www.dbm.gov.ph>. It is issued at the earliest on January of the previous year (B-1) and at the latest March of B-1. The macroeconomic assumptions are usually adjusted during the budget preparation phase –August to December of B-1.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "d" is the most appropriate answer because the pre-budget statement is not publicly available. I retain my

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| <p>view that the "Paper on Budget Strategy, FY 2009" is the most appropriate answer. As described by the DBM, this document contains detailed information on the technical analysis on the fiscal plan, implementation status of the Medium-Term Philippine Development Plan (MTPDP), budgetary trends, options and choices on sector priorities. It presents the recommended expenditure policy and fiscal framework upon which the preparation of the budget can be anchored. The DBM notes that while the PBS is not published, some of its information is published in other documents such as the National Budget Call, which reflects the macroeconomic assumptions and fiscal targets, which were decided from the PBS.</p> <p>IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | |
| <p>72. Does the pre-budget statement describe the government's macroeconomic and fiscal framework?</p> <ol style="list-style-type: none"> a. Yes, an extensive explanation of the government's fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 71.</p> <p><u>Comment:</u></p> <p><u>Researcher Response to this Question was "d"</u></p> <p><u>Peer Reviewer One Comment:</u> A more appropriate response to this question would be "c." The macroeconomic and fiscal framework is presented in the Budget Call. However, there are no extensive discussion of how the forecasts are arrived at, and how deviations from forecasts could affect fiscal performance.</p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> <p><u>Researcher Response:</u> I retain my view that "d" is the most appropriate answer because the pre-budget statement is not publicly available.</p> <p><u>IBP Comment:</u> IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.</p> | <p>d</p> |

73. Does the pre-budget statement describe the government's policies and priorities that will guide the development of detailed estimates for the upcoming budget?

- a. Yes, an extensive explanation of the government's budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key aspects of the government's budget policies and priorities, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.
- e. Not applicable/other (please comment).

Citation:

See related citation in Question 71.

Comment:

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response to this question would be "b." Budget priorities are explained briefly in the Budget Call. In addition, specific guidelines are provided in estimating budget costs of specific items.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "d" is the most appropriate answer because the pre-budget statement is not publicly available.

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

d

| Legislative Approval of the Budget | |
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| <p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> a. The legislature receives the budget at least three months before the start of the budget year. b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. c. The legislature receives the budget less than six weeks before the start of the budget year. d. The legislature does not receive the budget before the start of the budget year. e. Not applicable/other (please comment). <p><u>Citation:</u> Following the DBM's 2009 Budget Preparation Calendar, the legislature received the proposed budget at least three months before the start of the budget year. See related citation in Question 66.</p> <p>Also, please refer to Article 7, Section 22 of the 1987 Constitution (http://www.gov.ph/index.php?option=com_content&task=view&id=2000321&Itemid=26) and Book VI, Chapter 3 of the Administrative Code (http://www.chanrobles.com/administrativecodeofthephilippines6.htm).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?

- a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.
- b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.
- c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.
- d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.
- e. Not applicable/other (please comment).

Citation:

Comment:

Committee briefings are held where civil society groups too are able to attend. Still, participation in the discussion of the budget is limited.

Researcher Response to this Question was "d"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "a." Congressional hearings on the budget at the Committee level and during plenary begin with a review of the macroeconomic and fiscal framework underpinning the budget proposal. The principals of the Development Budget Coordination Committee (Secretaries of DBM, DOF, Neda, and BSP Governor) appear to testify before the Committee, and are resource persons during plenary debates on the budget. Congress also has to approve the macroeconomic principles of the budget.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because clarifications made indicate that committee briefings are held where civil society groups too are able to attend. Still, participation in the discussion of the budget is limited.

IBP Comment: IBP editors chose answer "b" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

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| <p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ul style="list-style-type: none">a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.b. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.c. Yes, a limited number of hearings are held in which testimony from the executive branch is heard.d. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.e. Not applicable/other (please comment). <p><u>Citation:</u> These hearings are covered by the media.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |
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77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?

- a. Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.
- b. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.
- c. Yes, a limited number of hearings are held in which testimony from the public is heard.
- d. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.
- e. Not applicable/other (please comment).

Citation:

See related citation in Question 75.

Comment:

Alternative budget proposals made by the Alternative Budget Initiative (ABI), a consortium of 60 nongovernmental organizations, were adopted in the 2009 General Appropriations Act

b

Researcher Response to this Question was "d"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "b." Agency budget hearings are open to the public and are often covered by media.

Researcher Response: I suggest the answer should be changed to "b." I chose my answer because committee briefings are held where civil society groups too are able to attend. Still, participation in the discussion of the budget is limited.

IBP Comment: IBP editors chose answer "b" to maintain consistency with the guidance provided to researchers for correctly completing the questionnaire in the *Guide to the Open Budget Questionnaire*.

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| <p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none">a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.b. Yes, the committees release reports, but some details are excluded.c. Yes, the committees release reports, but they are not very informative.d. No, the committees do not release reports or do not hold public hearings.e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>d</p> |
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79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?

- a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.
- b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.
- c. Not applicable/other (please comment).

Citation:

Representative Maza, who is also a member of the House Committee on Appropriations, says that legislators are not given full information on the spending of all secret items because the Department of National Defense (DND) and related agencies always invoke "national security."

Intelligence funds are distributed in various agencies as "confidential and intelligence expenses" and are usually included under operations. But these are not specified on what particular activity or program the budget is intended for.

Maza notes that the Office of the President, for instance, has discretionary funds, which are under the President's decision and discretion. The chief executive has full control on where to spend these discretionary funds, the lawmaker says.

Bukidnon Representative Guingona also adds that the information provided to the House of Representatives on the spending of secret items is the same information provided in the 2009 NEP. The 2009 NEP lists such items, but these are under broad categories and are not detailed. See <http://www.dbm.gov.ph/index.php?pid=9&xid=30&id=929>

COA's Macale, however, notes that under Section 19 of the General Provisions of the 2009 GAA and even the prior years' GAAs, all agencies with intelligence funds are required to submit a quarterly report on the utilization of this fund to the Senate President, Speaker of the House of Representatives and the Chairman of the COA, with a copy furnished also the Senate Committee on Finance and the House Committee on Appropriations.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

80. Does the legislature have authority *in law* to amend the budget presented by the executive?

- a. Yes, the legislature has unlimited authority *in law* to amend the budget.
- b. Yes, the legislature has authority *in law* to amend the budget, with some limitations.
- c. Yes, the legislature has authority *in law* to amend the budget, but its authority is very limited.
- d. No, the legislature does not have any authority *in law* to amend the budget.
- e. Not applicable/other (please comment).

Citation:

Section 25, Article VI of the 1987 Constitution indicates that, the "Congress may not increase the appropriations recommended by the President for the operation of the Government as specified in the budget." This provision in the law can be found on:
http://www.gov.ph/index.php?option=com_content&task=view&id=2000320&Itemid=26

While Congress can adjust the allocations among agencies and programs, it cannot go beyond the total appropriation provided by the Executive.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

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| <p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ul style="list-style-type: none">a. The approved budget includes program-level detail.b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).c. The approved budget includes only departmental totals.d. The approved budget includes less information than departmental totals or the approved budget is not released to the public.e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the 2009 General Appropriations Act, which can be found here: http://www.dbm.gov.ph/index.php?pid=8&xid=28&id=989</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>a</p> |
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| Executive's Implementation of the Budget | |
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| <p>82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> a. In-year reports on actual expenditure are released at least every month. b. In-year reports on actual expenditure are released at least every quarter. c. In-year reports on actual expenditure are released at least semi-annually. d. In-year reports on actual expenditure are not released. e. Not applicable/other (please comment). <p><u>Citation:</u> In-year reports are released every month, three weeks from the reference period. Beginning March 20, 2009, reports for 2009 have been posted and are updated on the Bureau of Treasury (BTr) website. See the Treasury's advance release calendar here: http://www.treasury.gov.ph/statdata/arc/arc.pdf</p> <p><u>Comment:</u> For background, please note that there are two sets of information being made available: actual levels only and the assessment of performance vis-à-vis programmed levels or the past year's outturns.</p> <p>Also, the scope of reports is largely determined by the entity responsible such that revenue reports are mainly within the purview of the Department of Finance (DOF), while in cases where expenditures are considered inputs, the DBM's data prevail.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | a |

83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?

- a. Yes, in-year reports cover all expenditures.
- b. Yes, in-year reports cover at least two-thirds, but not all, of expenditures.
- c. Yes, in-year reports cover less than two-thirds of expenditures.
- d. No in-year reports are released to the public.
- e. Not applicable/other (please comment).

Citation:

Please refer to the following documents available at the Treasury and DBM's websites:

National Government Cash Operation Report, CY 2009
http://www.treasury.gov.ph/statdata/monthly/mo_corsum.pdf

National Government Expenditures, CY 2009
http://treasury.gov.ph/statdata/monthly/mo_cor_expenditures.pdf

National Government Disbursement Performance, June 2009
<http://www.dbm.gov.ph/DBCC/Disbursement0609.pdf>

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

84. What is the most detail provided in the in-year reports on actual expenditures organized by *administrative unit*?

- a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail.
- b. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs).
- c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals.
- d. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals.
- e. Not applicable/other (please comment).

Citation:

Please refer to the following documents available at the DBM and Treasury's websites:

National Government Cash Operation Report, CY 2009
http://www.treasury.gov.ph/statdata/monthly/mo_corsum.pdf

National Government Expenditures, CY 2009
http://treasury.gov.ph/statdata/monthly/mo_cor_expenditures.pdf

National Government Disbursement Performance, June 2009
<http://www.dbm.gov.ph/DBCC/Disbursement0609.pdf>

Comment:

The DBM presents data on actual disbursements in the monthly Cash Operations Report (COR) prepared by the Treasury. DBM Undersecretary Laura B. Pascua says that data on disbursement is not exhaustive in form. The Department presents "aggregative expenditure accounts," i.e., by economic classification (personal services, maintenance and other operating expenditures, etc.) and not according to the spending department or agency. She explains that this is due to the lag in the reporting of actual outturns from the departments and agencies concerned.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

d

85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

- a. Yes, comparisons are made for all expenditures.
- b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.
- c. Yes, but comparisons are made for less than two-thirds of expenditures.
- d. No, comparisons are not made, or no in-year reports are released to the public.
- e. Not applicable/other (please comment).

Citation:

Monthly performance on a year-on-year basis is made available by the DBM. These are uploaded on the Department's website, issued to major dailies, and included in the presentation to briefings conducted by the Investor Relations Office (IRO).

For example, see the "National Government Disbursement Performance, June 2009" (<http://www.dbm.gov.ph/DBCC/Disbursement0609.pdf>) and the "Assessment of National Government Disbursements Performance, as of June 2009" (<http://www.dbm.gov.ph/DBCC/Assess0609.pdf>).

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?

- a. In-year reports on actual revenue collections by source of revenue are released at least every month.
- b. In-year reports on actual revenue collections are released at least every quarter.
- c. In-year reports on actual revenue collections are released at least semi-annually.
- d. In-year reports on actual revenue collections by source of revenue are not released.
- e. Not applicable/other (please comment).

Citation and/or comment:

The DOF's latest data on revenue collections, as of writing, can be found here: <http://www.dof.gov.ph/stat/JULY%202009.pdf>

The documents below are also available on the Treasury's website. These reports for 2009 are released every month, three weeks from the reference period since March 20, 2009.

National Government Revenues, CY 2009

http://www.treasury.gov.ph/statdata/monthly/mo_cor_revenues.pdf

NG Cash Budget Performance, January - June 2009

http://www.treasury.gov.ph/statdata/monthly/mo_cashbudgetperform.pdf

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

87. What share of revenue is covered by the in-year reports on actual revenue collections?

- a. In-year reports cover the actual revenue collections of all sources of revenue.
- b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.
- c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources.
- d. In-year reports on actual revenue collections are not released to the public.
- e. Not applicable/other (please comment).

Citation:

Please refer to the following documents:

National Government Revenue Collections, July 2009

<http://www.dof.gov.ph/stat/JULY%202009.pdf>

National Government Revenues, CY 2009

http://www.treasury.gov.ph/statdata/monthly/mo_cor_revenues.pdf

NG Cash Budget Performance, January - June 2009

http://www.treasury.gov.ph/statdata/monthly/mo_cashbudgetperform.pdf

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

- a. Yes, comparisons are made for all revenue sources.
- b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.
- c. Yes, but comparisons are made for less than two-thirds of revenue sources.
- d. No, comparisons are not made, or no in-year reports are released to the public.
- e. Not applicable/other (please comment).

Citation:

Comparison of actual year-to-date revenue collection is being done, but not on the level of specific revenue sources. Please refer to the following documents:

National Government Revenue Collections, July 2009

<http://www.dof.gov.ph/stat/JULY%202009.pdf>

National Government Revenue Collections, January - July 2009

<http://www.dof.gov.ph/stat/JAN-JULY%202009.pdf>

NG Cash Budget Performance, January - June 2009

http://www.treasury.gov.ph/statdata/monthly/mo_cashbudgetperform.pdf

Comment:

Researcher Response to this Question was "b"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "a."

Researcher Response: I retain my view that "b" is the most appropriate answer following my original citation.

IBP Comment: IBP editors chose answer "b" to main consistency in with OBI Methodology.

b

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| <p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ol style="list-style-type: none"> Yes, in-year reports on actual borrowing are released at least every month. Yes, in-year reports on actual borrowing are released at least every quarter. Yes, in-year reports on actual borrowing are released at least semi-annually. No, in-year reports on actual borrowing are not released. Not applicable/other (please comment). <p><u>Citation:</u> The report on actual borrowing can be found here: http://treasury.gov.ph/statdata/monthly/mo_ngoutstandingdebt.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <ol style="list-style-type: none"> Yes, extensive information related to the composition of government debt is presented. Yes, key additional information is presented, but some details are excluded. Yes, some additional information is presented, but it lacks important details. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. Not applicable/other (please comment). <p><u>Citation:</u> See “National Government Outstanding Debt, CY 2009” here: http://treasury.gov.ph/statdata/monthly/mo_ngoutstandingdebt.pdf</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |

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| <p>91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?</p> <ol style="list-style-type: none"> Reports are released 1 month or less after the end of the period. Reports are released 2 months or less (but more than 1 month) after the end of the period. Reports are released more than 2 months after the end of the period. In-year reports are not released. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 82.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ol style="list-style-type: none"> Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation:</u> In reference to the previous round of research which identified the Treasury and the IRO as sources of the in-year report, mid-year review and year-end report, the PCIJ sent letters to both offices, requesting the complete copy of these documents pertaining to the 2008 and 2009 budgets (where applicable).</p> <p>The Treasury responded and said that the documents are not available at their office and that the request has been forwarded to the DBM. The IRO also suggested that the request be referred to the DBM.</p> <p>In a letter, Undersecretary Pascua of the DBM said that the documents are not for public consumption as yet. “These are internal documents for discussion at the DBM level and for the Development Budget Coordination Committee (DBCC) finalization based on the BTr report on</p> | d |

fiscal position," she said.

Pascua, however, recommended that a report/assessment on the performance of the national government relative to its disbursements can be downloaded from the DBM website. This, she said, may be useful in analyzing government expenditures. The document is currently used in this survey as an in-year report (<http://www.dbm.gov.ph/DBCC/Disbursement0609.pdf>). Also, see related citations in Questions 83 and 85.

In response to a follow up letter, Director Lopez of the DBM, meanwhile, said that these documents will be published when the availability of data becomes stable and timely. She also noted that, at present, the DBM reports on the disbursements twice a year during Economic Briefings by the Economic Managers under the coordination of the IRO. Together with the Department of Finance (DOF), it also reports on the quarterly and monthly disbursements assessment through press conferences using basic data source produced by the BTr.

Lopez also notes that changes in economic outlook do not necessarily coincide with the reporting of disbursement performance, which occurs on a specific schedule. But the DBCC takes pains to report to the media changes in macroeconomic assumptions and their impact on the fiscal program, she adds.

Comment:

As cited in the 2008 round of research, the IRO makes available on its website reports during its regular mid-year briefing session, which is usually conducted in September. Please refer to the following documents:

Monetary, External and Banking Sector, September 2008

<http://www.iro.ph/downloads/Presentations/091708%20PEB/BSP%20091708.pdf>

Real Sector, September 2008

<http://www.iro.ph/downloads/Presentations/091708%20PEB/NEDA%20091708.pdf>

Expenditure Accounts, September 2008

<http://www.iro.ph/downloads/Presentations/091708%20PEB/DBM%20091708.pdf>

Fiscal Sector, September 2008

<http://www.iro.ph/downloads/Presentations/091708%20PEB/DOF%20091708.pdf>

Following the Open Budget Survey methodology, there are three criteria for a document to be considered a mid-year review. It should provide: one, actual expenditures made, revenues collected and debt incurred during the first six months of the year; two, a narrative with updates and reviews of the challenges or unexpected events (e.g., price shocks) that happened during the first six months and might account for a divergence from the budget as originally approved; and, three, recalculated expenditure, revenue, and debt estimates for the remaining six months.

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| <p>Pascua explains that, in a sense, these reports available at the IRO will not qualify as mid-year reports because they already include eight months of actual levels instead of the six-month requirement. However, she points out that to the extent that the reports reflect the full-year outlook, given the actual outturns, the third qualification may be deemed satisfied. Also, the second requirement of having a narrative with update as well as the challenges and unexpected events during the actual period in consideration may likewise be deemed satisfied, Pascua added</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | |
| <p>93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?</p> <ul style="list-style-type: none"> a. Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. d. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 92.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |

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| <p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> a. The mid-year review includes program-level detail for expenditures. b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs). c. The mid-year review includes only departmental totals (or functional totals). d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 92.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | d |
| <p>95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?</p> <ul style="list-style-type: none"> a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided. c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided. d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 92.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | d |

96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain *minimal* level specified in law or regulation)?
- a. Yes, the executive seeks approval from the legislature before shifting funds between administrative units.
 - b. Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.
 - c. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.
 - d. No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below).
 - e. Not applicable/other (please comment).

Citation:

Comment:

Only the DBM has the power to reallocate, delay, withhold, and suspend expenditures, depending on the availability of funds.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

d

97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

- a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.
- b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.
- c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.
- d. No, the procurement process was not open and competitive in practice.
- e. Not applicable/other (please comment).

Citation:

See the Commission on Audit's 2007 annual audit report on foreign-assisted projects: <http://www.coa.gov.ph/Audit/AAR.htm>

Comment:

In 2007, the COA has identified at least two projects -- the Mindanao Sustainable Settlement Area Development (MINSSAD) and the Northrail Project I (NP I) -- wherein supply contracts were entered into without public bidding.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

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| <p>98. When does the legislature typically approve supplemental budgets?</p> <ul style="list-style-type: none"> a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify). b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify). c. Not applicable/other (please comment). <p><u>Citation:</u> Under the law, there is no specific date that requires the passage of a supplemental budget. According to Section 1 of Republic Act No. 6670, the President may transmit to Congress, from time to time, such proposed supplemental or deficiency appropriations as are, in his judgment, (a) necessary on account of laws enacted after the transmission of the Budget, or (b) otherwise needed in the public interest. See http://www.chanrobles.com/republicactno6670.htm</p> <p>Lopez says no trend can be established because requests for this form of budget do not occur regularly. It is seldom that the executive requests supplemental budget.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>a</p> |
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99. In most years, how large are supplemental budget requests relative to the size of the original budget?

- a. Supplemental budgets are generally equal to 2 percent or less of the original budget.
- b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.
- c. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget.
- d. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.
- e. Not applicable/other (please comment).

Citation:

Please refer to Republic Act No. 9525, an act appropriating P11.3 billion as supplemental budget for an automated election system in 2010.

Information is available here:

http://www.comelec.gov.ph/laws/republic_acts/ra_9525.html

This amount is less than one percent of the total P1.4 trillion budget for 2009.

Comment:

Verifications made with the DBM indicate that the supplemental budget amounted to just over P11 billion in 2009. DBM also said that supplemental budgets are rare.

Researcher Response to this Question was "c"

Peer Reviewer One Comment: Supplemental budgets are rare and far in between. There are constitutional requirements such as the identification of funding source or new tax measures for a supplemental budget.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's original answer "c," which the IBP modified for consistency purposes.

IBP Comment: IBP editors chose answer "a" to maintain the consistency of the assumptions used in selecting answers across the countries.

a

100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

- a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.
- b. Expenditures are approved after the funds are expended, but before the end of the fiscal year.
- c. Expenditures are approved after the end of the fiscal year, for example in the next budget.
- d. Such expenditure takes place without legislative approval.
- e. Not applicable/other (please comment).

Citation:

Comment:

Lopez notes that the contingency fund is approved along with other items in the budget as part of the Genral Appropriations Act. The amount allotted for contingency fund for FY 2009 is P800 million.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

d

| Executive's Year-end Report and the Supreme Audit Institution | |
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| <p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget's actual outcome for the year?</p> <ol style="list-style-type: none"> a. The report is released six months or less after the end of the fiscal year. b. The report is released 12 months or less (but more than six months) after the end of the fiscal year. c. The report is released more than 12 months after the end of the fiscal year. d. The executive does not release a year-end report. e. Not applicable/other (please comment). <p><u>Citation:</u> Please refer to the following documents available at the IRO and Bangko Sentral ng Pilipinas (BSP) websites:</p> <p>Monetary, External and Banking Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/BSP.pdf</p> <p>Real Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/NEDA_FINAL.pdf</p> <p>Expenditure Accounts, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DBM_FINAL.pdf</p> <p>Fiscal Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DOF.pdf</p> <p>Agriculture Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DA_FINAL.pdf</p> <p>Exports and Investments, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DTI%20FINAL_Short.pdf</p> <p>Energy and Power Sector, February 2009 http://www.iro.ph/downloads/Presentations/022509%20PEB/DOE%20FINAL.pdf</p> <p>Bangko Sentral ng Pilipinas Annual Report 2008 http://www.bsp.gov.ph/downloads/publications/2008/annrep2008.pdf</p> <p><u>Comment:</u> The documents cited were presented during the IRO briefing session. These include reports on the real sector (NEDA), fiscal sector (DOF), expenditure accounts (DBM), monetary, external and banking sector (BSP), as well as the agriculture (Department of Agriculture), trade (Department of Trade and Industry) and the energy sectors (Department</p> | a |

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| <p>of Energy).</p> <p>Undersecretary Pascua explains that these sectors are not mutually exclusive but are, in fact, interactive. Each sector report is complete on its own but also dependent on the other sectors for a more comprehensive view of all sectors being reported.</p> <p>Also, see related comment on Question 92.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | |
| <p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ul style="list-style-type: none"> a. Yes, all data on actual outcomes have been audited. b. At least two-thirds, but not all, of the data on actual outcomes have been audited. c. Less than two-thirds of the data on actual outcomes have been audited. d. None of the data on actual outcomes has been audited, or a year-end report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u> None of the data on actual outcomes have been audited.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |

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| <p>103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See page 84 of the 2008 annual report prepared by the Bangko Sentral ng Pilipinas (http://www.bsp.gov.ph/downloads/publications/2008/annrep2008.pdf).</p> <p>Also, refer to "Assessment of Disbursement Performance of the National Government, January to December 2008" under DBCC Matters in the DBM website (http://www.dbm.gov.ph/DBCC/08asses.pdf).</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | C |
| <p>104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?</p> <ol style="list-style-type: none"> The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases). The explanation focuses on a higher level of aggregation than departmental totals (or functional totals). No explanation of the differences is provided, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u> See related citation in Question 101.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | C |

105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

See related citation in Question 103.

Comment:

Researcher Response to this Question was "c"

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: A more appropriate response to this question would be "b." Details of revenues and factors explaining variances between enacted and actual levels of revenues are available much earlier than similar information for expenditures.

Researcher Response: I retain my view that "c" is the most appropriate answer following my original citation.

IBP Comment: IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

C

106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

Citation:

See related citation in Question 92.

The IRO documents show the difference, but no narrative discussion is provided.

Comment:

Researcher Response to this Question was "c"

Peer Reviewer One Comment: A more appropriate response to this question would be "d." No explanation is presented for the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "c" is the most appropriate answer. No explanation is provided but some points are included. Please see page 4 of "Real Sector, February 2009."
http://www.iro.ph/downloads/Presentations/022509%20PEB/NEDA_FINAL.pdf

IBP Comment: IBP editors chose answer "c" to maintain the consistency of the assumptions used in selecting answers across the countries.

C

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| <p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key differences, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |
| <p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key differences, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or such a report is not released. e. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | <p>d</p> |

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| <p>109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |
| <p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation:</u></p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | d |

| The Independence and Performance of the Supreme Audit Institution | |
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| <p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> a. Final audited accounts are released to the public six months or less after the end of the fiscal year. b. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. c. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. d. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. e. Not applicable/other (please comment). <p><u>Citation:</u> The audits of annual expenditures of government agencies, including government-owned and -controlled corporations, are released to the public through the Annual Audit Reports (AARs), which are generally made public before the end of the first semester of the year following the year under audit. The public can access these reports at the COA website or upon a written request subject to existing COA regulations. Please refer to: http://www.coa.gov.ph/Audit/AAR.htm</p> <p>Note that audit reports are uploaded one at a time, as soon as a department's audit is submitted. Some audit reports are released more than six months after the end of the budget year.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher's answer.</p> | <p>b</p> |

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| <p>112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?</p> <ol style="list-style-type: none"> a. All expenditures have been audited and the reports released to the public. b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited. c. Expenditure representing less than two-thirds of expenditure have been audited. d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year. e. Not applicable/other (please comment). <p><u>Citation:</u> Director Rolando S. Macale of the COA Public Information Office says that upon the issuance of the audit report, it is presumed that majority of the expenditures that has been identified through the Risk-Based Audit Approach (RBAA) have been audited.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | b |
| <p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ol style="list-style-type: none"> a. The annual audit report(s) includes one or more executive summaries summarizing the report’s content. b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year. c. Not applicable/other (please comment). <p><u>Citation:</u> See the 2007 annual audit reports. These documents can be found on the Web at: http://www.coa.gov.ph/Audit/AAR.htm</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |

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| <p>114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?</p> <p>a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.</p> <p>b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u> The COA chairman is appointed by the President. Under the law, he or she may only be removed through impeachment, which can be initiated by Congress.</p> <p><u>Comment:</u></p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | a |
| <p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <p>a. Yes, the SAI releases to the public audits of all extra-budgetary funds.</p> <p>b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.</p> <p>c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.</p> <p>d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Macale says extra-budgetary funds are under COA's regular audit and thus, form part of the COA annual audit report.</p> <p><u>Peer Reviewer One Comment:</u></p> <p><u>Peer Reviewer Two Comment:</u></p> <p><u>Government Comment:</u> Government did not dispute researcher’s answer.</p> | c |

116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have *the discretion in law* to undertake those audits it may wish to?

- a. The SAI has full discretion to decide which audits it wishes to undertake.
- b. The SAI has significant discretion, but faces some limitations.
- c. The SAI has some discretion, but faces considerable limitations.
- d. The SAI has no discretion to decide which audits it wishes to undertake.
- e. Not applicable/other (please comment).

Citation:

Please refer to Section 2 (1 and 2), Article IX of the 1987 Constitution here: <http://www.chanrobles.com/article9coa.htm>

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

117. Who determines the budget of the Supreme Audit Institution?

- a. The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- b. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- c. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- d. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- e. Not applicable/other (please comment).

Citation:

The proposed budget for COA was at P4.5 billion in 2009. See the 2009 NEP (<http://www.dbm.gov.ph/NEP09/COA/COA.pdf>). In the 2009 GAA (<http://www.dbm.gov.ph/GAA09/COA.pdf>), the enacted budget for COA was at P3.9 billion.

Comment:

The COA submits its budget proposal to the DBM, which then submits it, as part of the President's Budget, to the House of Representatives and the Senate for approval.

Peer Reviewer One Comment: The budget proposal of the Commission on Audit is submitted to the Department of Budget and Management, which then submits to Congress as part of the President's Budget. It is part of the General Appropriations Act which then require approval of the House and the Senate, and finally by the President. The funding level is broadly consistent with the resources the COA needs to fulfill its mandate.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

C

118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?

- a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate.
- b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate.
- c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate.
- d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector.
- e. Not applicable/other (please comment).

Citation:

Macale says the COA has audit units stationed at the Philippine National Police (PNP) and major services of the Armed Forces of the Philippines (AFP).

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?

- a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.
- b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.
- c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.
- d. No, the SAI does not maintain any formal mechanisms of communication with the public.
- e. Not applicable.

Citation:

Please refer to COA's Fraud Alert here:
<http://www.coa.gov.ph/Fraud.htm>

The COA also lists on its website an e-mail address and a hotline. It also has a public information office where complaints are received.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

a

120. Does a committee of the legislature view and scrutinize the audit reports?

- a. Yes, all audit reports are scrutinized.
- b. Yes, most audit reports are scrutinized.
- c. Yes, some audit reports are scrutinized.
- d. No, audit reports are not scrutinized.
- e. Not applicable/other (please comment).

Citation:

Representative Maza says that members of the House Committee on Appropriations also touch on the COA reports when they deliberate on the budget of each agency.

As the COA budget is also reviewed by the committee, the COA is also asked on its audit reports of certain government agencies during the budget deliberation.

Representative Guingona, however, explains that audit reports are not regularly scrutinized by members of the legislature. While the Committee on Appropriations has the oversight function, he said that scrutinizing of audit reports has not really been done although it was brought up in 2008.

The lawmaker points out that the problem is that COA reports are released "too late" that by the time these are made available, events have transpired, accountable officials may no longer be in office, and that issues are no longer relevant.

Meanwhile, Director Macale of the COA notes that the congressional budget committee of Congress looks into the spending of agencies and coordinates with each agency's finance department.

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

C

121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?

- a. Yes, the executive reports publicly on what steps it has taken to address audit findings.
- b. Yes, the executive reports publicly on most audit findings.
- c. Yes, the executive reports publicly on some audit findings.
- d. No, the executive does not report on steps it has taken to address audit findings.
- e. Not applicable/other (please comment).

Citation:

Comment:

There is no formal body that ensures the implementation of the recommendations made by COA.

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

d

122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

- a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.
- b. Yes, a report is released, covering key audit recommendations, but some details are excluded.
- c. Yes, a report is released, but it lacks important details.
- d. No, a report is not produced or it is prepared for internal purposes only (please specify).
- e. Not applicable/other (please comment).

Citation:

Please refer to COA audit reports by year:
<http://www.coa.gov.ph/Audit/AAR.htm>

Agencies report to COA on the steps they have taken to address the recommendations. These findings are reflected in the succeeding annual report. Check the status of implementation of prior year's recommendations.

Also, see page 91 of the COA's 2007 annual financial report here:
http://www.coa.gov.ph/Financial_Reports.htm

Comment:

Peer Reviewer One Comment:

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

b

123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?

- a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs.
- b. Yes, legislators are provided audit reports on secret items, but some details are excluded.
- c. Yes, legislators are provided audit reports on secret items, but they lack important details.
- d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).
- e. Not applicable/other (please comment).

Citation:

Detailed reports on secret items are not submitted to the relevant committee, according to Representatives Maza and Guingona.

Maza says that members of the House of Representatives are not given audit reports of the annual accounts of the security sector and other secret programs. The concerned agencies always invoke "national security," she says.

Comment:

Researcher Response to this Question was "d"

Peer Reviewer One Comment: A more appropriate response to this question would be "c." Section 19, paragraph 3 of the Republic Act 9524 (General Appropriations Act Fiscal Year 2009) provides: All departments, bureaus, offices or agencies shall submit to the Senate President and the Speaker of the House of Representatives, and the Chairman of the COA, a quarterly report of the accomplishments in the use of confidential and intelligence funds, copy furnished the Senate Committee on Finance and the House Committee on Appropriations.

Peer Reviewer Two Comment:

Government Comment: Government did not dispute researcher's answer.

Researcher Response: I retain my view that "d" is the most appropriate answer following my original citation, but the peer reviewer's comment should be noted.

IBP Comment: IBP editors chose answer "d" to maintain the consistency of the assumptions used in selecting answers across the countries.

d