



GOING ABOVE AND BEYOND: Propelling Economic Growth through the FY 2024 National Budget

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Philippine Economic Briefing (PEB) in Manila
May 27, 2024



The Philippine economy continued to **expand by 5.7 percent** in Q1 2024, sealing its position as a frontrunner in the Asia-Pacific region.

Countries	2024 Q1 Real GDP Growth (%)
Singapore	2.7
Malaysia	3.9
Indonesia	5.1
China	5.3
Vietnam	5.7
Philippines	5.7



2024 Q1 NG Fiscal Performance ^{a/}

In Billion Pesos

PARTICULARS	2023 Q1	2024 Q1	YoY Growth	
			Amount	%
Revenues	818.7	933.7	115.1	14.05
Disbursements	1,089.6	1,206.4	116.8	10.72
Deficit	(270.9)	(272.6)	(1.8)	0.65

a/ Based on the Bureau of the Treasury (BTr) Cash Operations Report



Macroeconomic Parameters Assumptions, FYs 2024-2028

PARAMETER	PROJECTIONS				
	2024	2025	2026	2027	2028
Real GDP Growth (%) ¹	6.0 - 7.0	6.5 - 7.5	6.5 - 8.0	6.5 - 8.0	6.5 - 8.0
Inflation (%) ²	2.0 - 4.0	2.0 - 4.0	2.0 - 4.0	2.0 - 4.0	2.0 - 4.0
Dubai Crude Oil (US\$/bbl)	70 - 90	65 - 85	65 - 85	65 - 85	65 - 85
FOREX (P/US\$)	55.00 - 57.00	55.00 - 58.00	55.00 - 58.00	55.00 - 58.00	55.00 - 58.00
Growth of Goods Export (%) ³	3.0	6.0	6.0	6.0	6.0
Growth of Goods Import (%) ³	4.0	7.0	8.0	8.0	8.0

Sources: NEDA and BSP

¹ GDP at Constant 2018 Prices

² Inflation rate using 2018-based CPI

³ Based on the IMF's Balance of Payments and International Investment Position Manual, 6th Edition (BPM6)



Medium-Term Fiscal Program FYs 2024-2028

In Billion Pesos

PARTICULARS	2023	2024	2025	2026	2027	2028
	ACTUAL	PROJECTIONS				
REVENUES	3,824.1	4,269.9	4,583.3	4,956.6	5,487.7	6,078.0
% of GDP	15.7%	16.1%	15.8%	15.8%	16.1%	16.4%
Growth Rate	7.9%	11.7%	7.3%	8.1%	10.7%	10.8%
DISBURSEMENTS	5,336.2	5,754.3	6,074.2	6,433.5	6,887.2	7,449.9
% of GDP	22.0%	21.7%	21.0%	20.5%	20.2%	20.1%
Growth Rate	3.4%	7.8%	5.6%	5.9%	7.1%	8.2%
SURPLUS /(DEFICIT)	(1,512.1)	(1,484.3)	(1,490.9)	(1,476.8)	(1,399.5)	(1,371.9)
% of GDP	-6.2%	-5.6%	-5.2%	-4.7%	-4.1%	-3.7%

Memo Items:

Nominal GDP	24,289.4	26,495.6	28,925.7	31,422.0	34,133.7	37,079.4
Infrastructure Program ¹	1,419.0	1,472.8	1,657.3	1,782.1	1,988.3	2,231.6
% of GDP	5.8%	5.6%	5.7%	5.7%	5.8%	6.0%

¹ Indicative and subject to updating. Projections pertain to disbursements from NG infrastructure subsidy/equity to GOCCs, and transfers to LGUs intended for infrastructure activities, including payables from current year's budget and prior years' obligations.



FY 2024 National Budget

P5.768 Trillion

USD 103.0 Billion

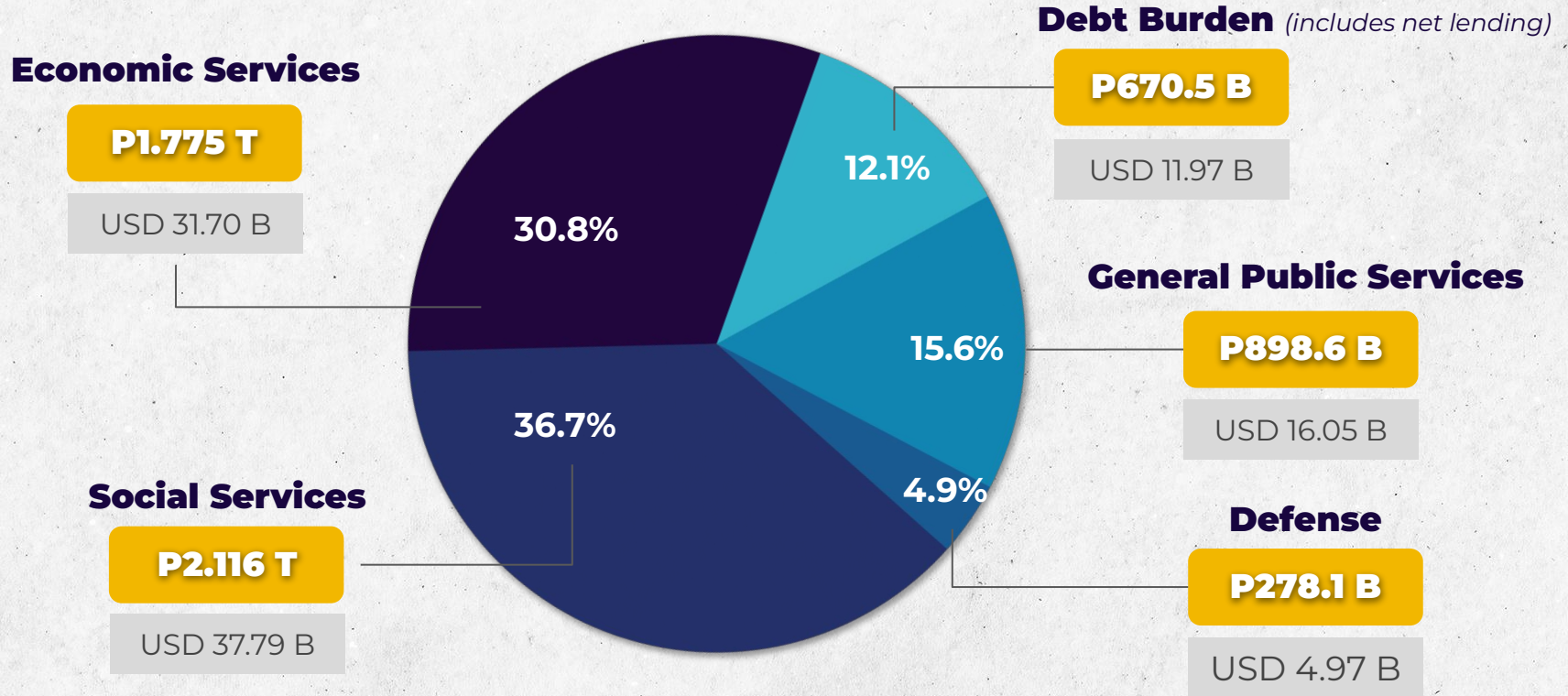


9.5%
y-o-y growth

21.8%
of GDP



FY 2024 Budget by Sector



*Numbers may not add up due to rounding off



Social Services Sector



Revitalized Education

Php 983.5 billion
(USD 17.56 B)



Quality Healthcare

Php 322.3 billion
(USD 5.76 B)



Strengthened Social Protection

Php 449.1 billion
(USD 8.02 B)



Agricultural Modernization and Food Security

Agriculture and Agrarian Reform sector

Php 235.06 B
(USD 4.20 B)



26.0%

YEAR-ON-YEAR



Build-Better-More Program

Build-Better-More (BBM) Program

Php 1.51 T
(USD 26.96 B)



13.5%

YEAR-ON-YEAR



*Note: FY 2023 Total Infrastructure Budget
Department of Public Works and Highways



Physical Infrastructure



Roads

Php 521.27 B
(USD 9.31 B)



Flood control infrastructure

Php 352.78 B
(USD 6.30 B)



Local infrastructure development

Php 174.28 B
(USD 3.11 B)



Buildings

Php 76.96 B
(USD 1.37 B)

Railways

Php 1.50 B
(USD 26.79 M)

Social Infrastructure



Irrigation systems

Php 56.82 B
(USD 1.01 B)



School buildings

Php 42.15 B
(USD 752.75 M)



Water supply systems

Php 7.80 B
(USD 139.29 M)



Hospital and health centers

Php 23.32 B
(USD 416.4 M)



Power supply systems

Php 4.37 B
(USD 78.04 M)



Housing and community facilities

Php 2.89 B
(USD 51.61 M)



Reforestation projects

Php 940.37 M
(USD 16.79 M)



Republic of the Philippines
Congress of the Philippines
Metro Manila
Nineteenth Congress
Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fourth day of July, two thousand twenty-three.

[REPUBLIC ACT NO. 11966]

AN ACT PROVIDING FOR THE PUBLIC-PRIVATE PARTNERSHIP (PPP) CODE OF THE PHILIPPINES

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

SECTION 1. *Short Title.* – This Act shall be known as the “Public-Private Partnership (PPP) Code of the Philippines”.

SEC. 2. *Declaration of Policy.* – The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments. To this end, the State shall provide an enabling environment for the private sector to mobilize its resources to finance, design, construct, operate, and maintain infrastructure or development projects and services.

It is further declared that the State shall protect the public interest by providing affordable, accessible, and efficient public services. In order to achieve better quality of Public-Private Partnership (PPP) Projects at lower costs, the State shall ensure equitable risk allocation in PPP Projects,

The new **Public-Private Partnership (PPP) Code** aims to simplify the evaluation process of PPP projects.

In evaluating PPP proposals, gender equality, disability, and social inclusion (GEDSI) requirements as well as climate change and environmental standards are considered.



Climate Change Expenditures

Climate change adaptation and mitigation

Php 457.41 B
(USD 8.17 B)



Support to Bangsamoro Government

Bangsamoro Autonomous Region in Muslim Mindanao

Php 80.60 B
(USD 1.44 B)



Mindanao



Republic of the Philippines
Department of Budget and Management

Priority Expenditures for FY 2025 National Budget

FY 2025 Budget Priorities Framework



**Shovel-ready
infrastructure
projects**



**Investments in
human capital
development**



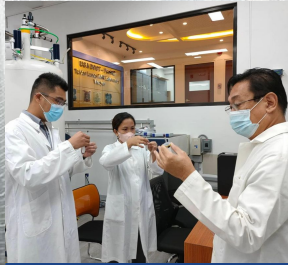
**Sustainable
agriculture and
food security**



**Climate change
adaptation and
mitigation**



**Enterprise
Development**



**Research and
Development, and
Innovation**



**Digital
Transformation**



**Empowerment of
Local Governments**



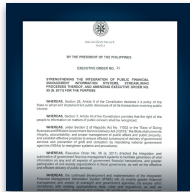
Key Structural Reforms



Institutionalization of the PH-OGP



Digital Budget Management Roadmap



Adoption of Integrated Financial Management Information System (IFMIS)



New Government Procurement Act



OGPinas and PFMCP for LGUs



e-Marketplace and Green Public Procurement

Key Structural Reforms

The Philippine Open Government Partnership (PH-OGP) serves as the main consultation platform of the Participatory Governance Cluster (PGC) of the Cabinet that provides an avenue for interface between the government and citizens.


The Philippine
Open Government
Partnership


The Philippine
Open Government
Partnership



Key Structural Reforms

The PH-OGP has been institutionalized through **Executive Order No. 31**, securing a momentous win for open governance in the country.



Key Structural Reforms

We have expanded the open governance space by conducting the **OGPinas! national advocacy campaign.**



Key Structural Reforms

One of our participatory initiatives is the **Support and Assistance Fund to Participatory Budgeting** with Php 1.0 billion under the **FY 2024 National Budget**.

SUPPORT AND ASSISTANCE FUND TO
PARTICIPATORY BUDGETING (SAFPB)
PROGRAM LAUNCHING



Key Structural Reforms

In partnership with the Asian Development Bank, DBM launched a workshop series dedicated to the development of the **Philippine PFM Reforms Roadmap 2024 to 2028.**




Key Structural Reforms

DBM is conducting the **Public Financial Management Competency Program (PFMCP) for LGUs**, capacitating local budget officers on PFM practices.



Key Structural Reforms



The government aims to fully digitalize our PFM Systems through the adoption of **Integrated Financial Management Information System (IFMIS)** across all government agencies.



Key Structural Reforms

DBM Digitalization Initiatives

PROJECT TINA

Technical Innovations in the **NEP** Application

PROJECT MARISSA

Sandbox Integration of Blockchain Technology in the DBM Action Document Releasing System

PROJECT DIME

Digital Information for **M**onitoring and **E**valuation



Key Structural Reforms

DBM will address the perennial challenge of underspending through procurement reforms under the **New Government Procurement Act (NGPA).**





**Together, we can achieve the *Bagong Pilipinas*
—a Philippines of new and better opportunities—
that we all aspire for.**



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