

42 pesos per liter
7.5 liters per 100km
5,000 pesos in the wallet

?!





From Outputs to Outcomes

The Continuing Evolution of the Performance-Informed Budget in the Philippines

Performance-Informed Budgeting

How has the National Budget changed since 2010?

The Budget Then

Example: **2010** GAA
Bureau of Fire Protection

For general administration and support, support to operations, and operations including locally-funded and foreign-assisted projects, as indicated hereunder P 6,482,828,000

New Appropriations, by Program/Project	Current Operating Expenditures			Total
	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	
A. PROGRAMS				
I. General Administration and Support	P 14,859,000	P 113,142,000		P 128,001,000
a. General Administrative and Support Services	P 14,859,000	113,142,000		128,001,000
Sub-total, General Administration and Support				
II. Support to Operations				
a. Logistical Services	6,288,000	658,905,000		665,193,000
Sub-total, Support to Operations	6,288,000	658,905,000		665,193,000
III. Operations				
a. Prevention and Suppression of All Destructive Fires	4,781,435,000	75,005,000	532,349,000	5,388,789,000
	2,648,000	13,000,000		15,648,000
b. Emergency Medical Services- Rescue T6T	4,784,083,000	88,005,000	532,349,000	5,404,437,000
Sub-total, Operations	4,805,230,000	860,952,000	532,349,000	6,197,631,000
Total, Programs				
B. PROJECT(S)				
I. Locally-Funded Project(s)				
a. Acquisition of Rescue and Relief Operations Equipment				140,000,000
b. Construction of BPP Sub-station-3rd District Tarlac				10,000,000

The Budget then presented only the financials

The Budget Now

Example: **2014** GAA
Bureau of Fire Protection

KEY RESULTS AREAS:
Just and lasting peace and the rule of law

SECTOR OUTCOME:
Peaceful, safe, self-reliant and development-oriented communities

ORGANIZATIONAL OUTCOME:
Communities where lives and properties are protected from destructive fire and other emergencies

Budget now shows both financials and performance info

New Appropriations, by Program/Project	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS				
00000000 General Administration and Support	P 18,659,000	P 18,659,000		P 145,867,000
30000000 Operations	6,245,900,000	6,245,900,000	346,041,000	7,579,458,000
MFO 1: Fire Prevention Services	87,377,000	87,377,000		445,263,000
MFO 2: Fire Suppression and Investigation Services	6,158,523,000	6,158,523,000	346,041,000	7,134,195,000
Total, Programs	6,264,559,000	6,264,559,000	346,041,000	7,725,325,000

MAJOR FINAL OUTPUTS (MFO)/PERFORMANCE INDICATORS

MFO	Targets
MFO 1: FIRE PREVENTION SERVICES	
Percentage of buildings/establishments inspected out of the total number of buildings and establishments nationwide	86% or 429,180
Percentage of fires that occur in Fire Safety Inspection Certificate rated buildings or structure	80%
Number of buildings or structures inspected within the prescribed time from the receipt of Mission Order by the Fire Safety Inspector	86%
MFO 2: FIRE SUPPRESSION AND INVESTIGATION	
Number of fire and emergency medical services and rescue calls responded nationwide	86% or 5,030
Percentage of fire calls with low level of alarm (up to 3rd Alarm) out of the total number of fire calls responded nationwide	80%
Percentage of fire calls responded within 5-7 minutes and emergency medical services and rescue calls within 10 minutes in NCR	86% or 5,185

Note: Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund

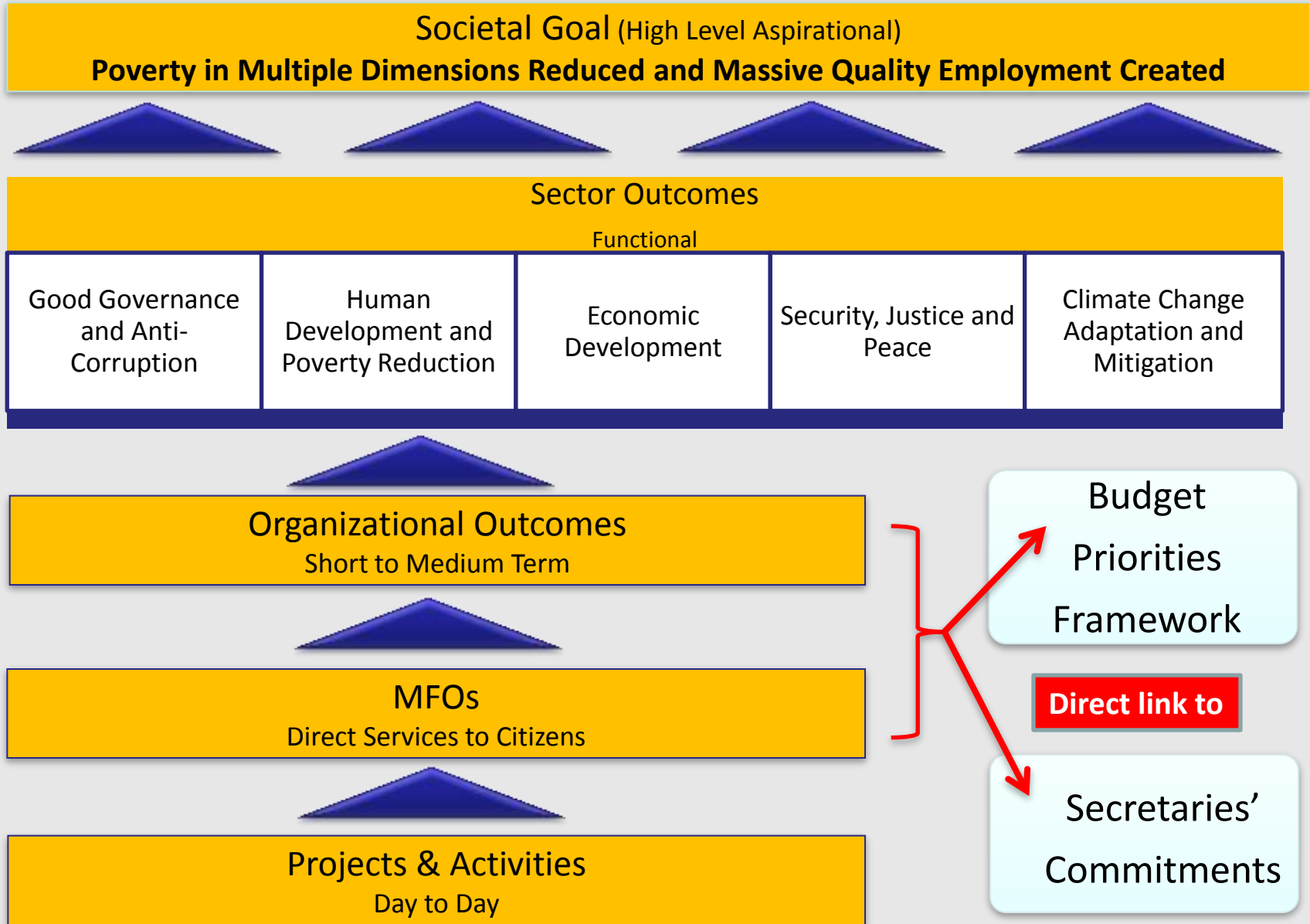
The Department's performance targets

Ngayon, mas malinaw na ang kwento sa bawat kwenta!

To view the actual 2014 GAA, visit: <http://bit.ly/2014gaa>

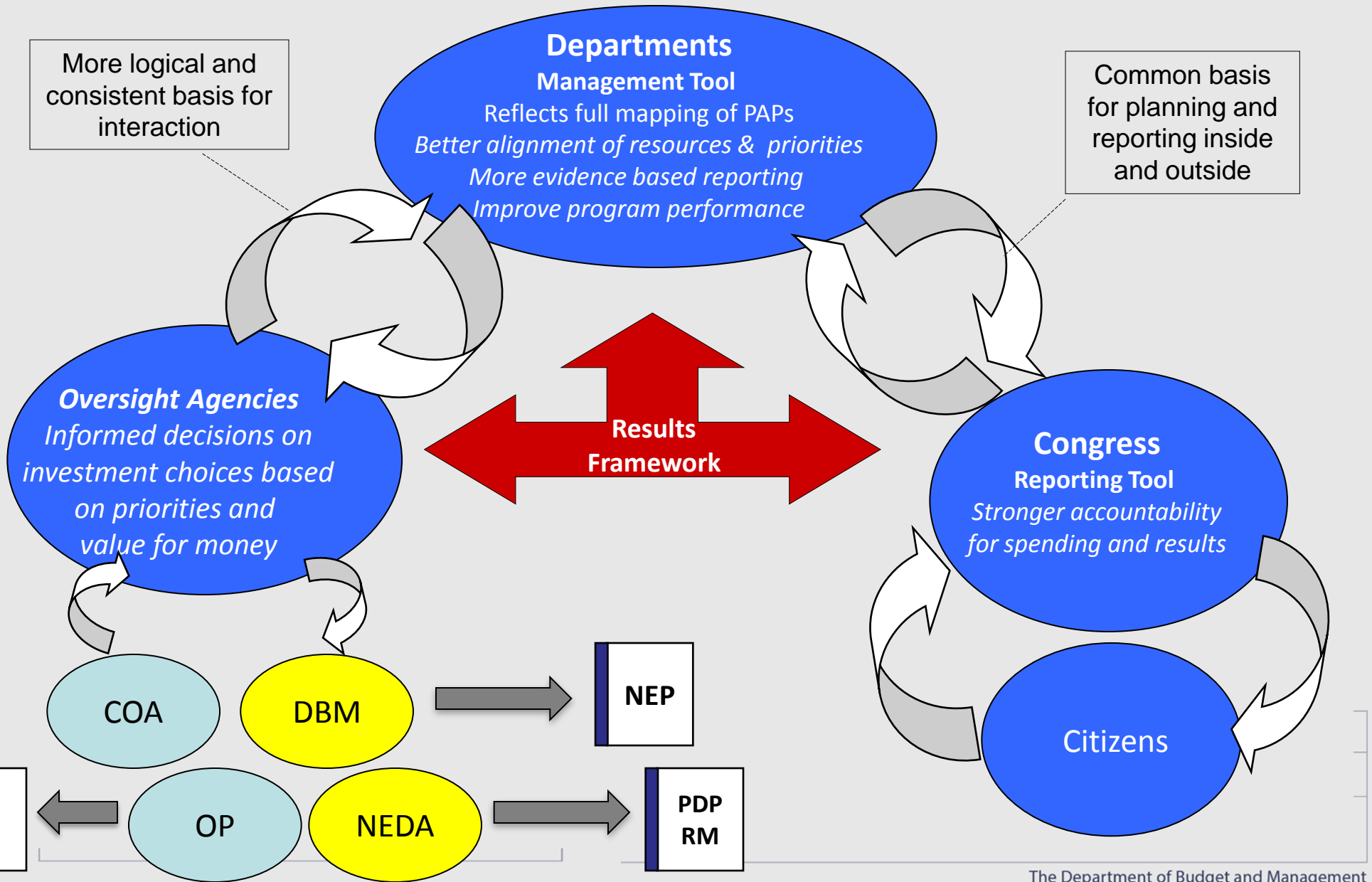
Note: These are enhanced renditions of the 2010 and 2014 GAA sections







Why should we include outcome measurements in the budget?





NBC 552



Organizational Outcomes

- These refer to short and medium term results produced by the agency that is achieved through the production of their Major Final Outputs (MFO) and the execution of their programs, activities, & projects (PAPs)
- The number of which depends on the range & diversity of mandate



OOs are based on:

1. Mandate
2. Philippine Development Plan – Results Matrices
3. Planning Tool
4. Budget Priorities Framework
5. Organizational Chart
6. Existing OOs
7. Existing MFOs & PAPs



Guide Questions:

1. Why do we deliver these services? Why are we doing these PAPs?
2. What are we trying to achieve in the short to medium term?
3. Are they consistent with our mandate? Why was your agency created in the first place?
4. What do we need to do to contribute to the Sector Outcomes?



Characteristics of a Properly Stated Organizational Outcome

1. Specific (For what? For Whom?)
2. Measurable (There is an available metric)
3. Attainable (Attainable through PAPs)
4. Relevant (To managers & the general public)
5. Responsive (To current realities)
6. Time-bound (Short to medium term)



Examples

- Land tenure security of agrarian reform beneficiaries improved
- Farm productivity and incomes increased
- Maritime safety improved
- MSMEs developed
- Quality of tertiary education improved
- Rational use of land and orderly development of communities improved



Performance Indicators

- PIs must include target, timeframe to obtain target, and data collection methods
- Each OO must have a set of 1-3 PIs
- PI statements are no longer constrained by the “QQT Rule”



Characteristics of a Properly Stated Performance Indicator

1. Clear (precise & unambiguous)
2. Comparable (has historical precedence)
3. Relevant (appropriate to the OO)
4. Economic (available at reasonable cost)
5. Adequate (enough to asses progress)
6. Monitorable (can be validated)



OO 2: Farm Productivity and Income of ARB households improved

PI 1: Farm yield of rice, corn, and sugarcane compared with national averages

Target:

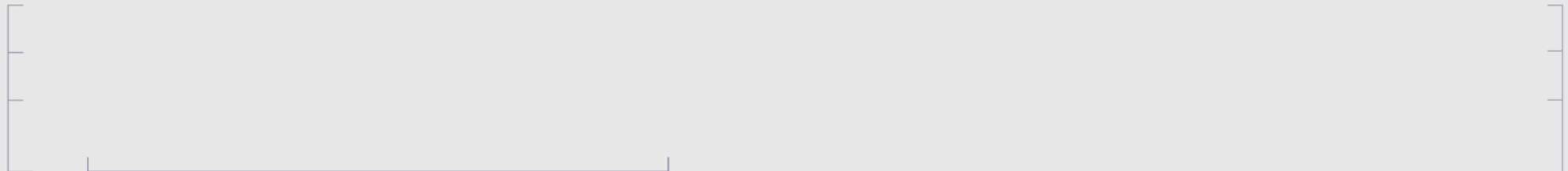
- Irrigated Rice: 10% above national average
- Corn: 50% above national average
- Sugarcane: at par with national average

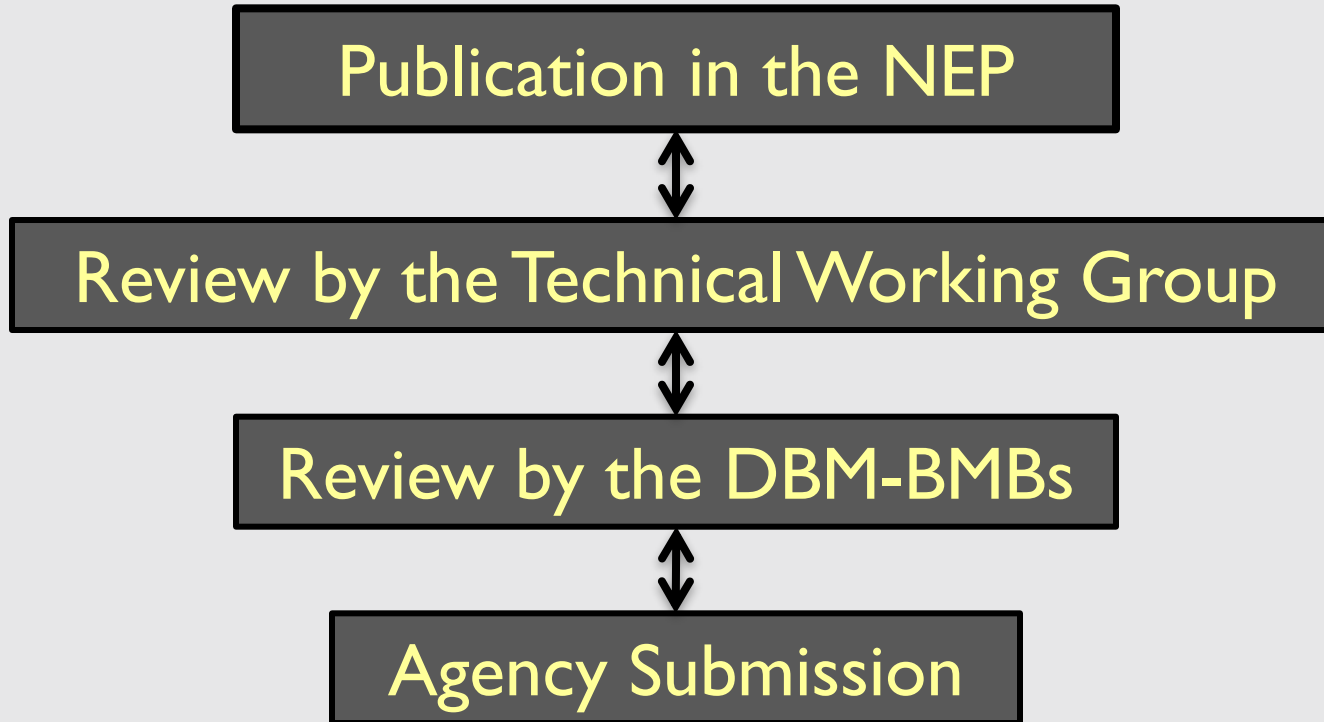


OO 2: Farm Productivity and Income of ARB households improved

PI 2: % increase in annual income of ARB households

Target: 10%







On Rightness and Correctness

- As an oversight agency focusing on performance, the main responsibility of the DBM is to ensure that the OOs and PIs are **correctly stated**
- It is the agency's core responsibility to ensure that the OOs and PIs are **right** based on its consistency with the PDP-RM, the OP Planning Tools, and its stated mandate.



REPUBLIC OF THE PHILIPPINES
R.A. No. _____
GENERAL APPROPRIATIONS ACT
January 1 - December 31, 2014

Paggugol na Matuwid:
Daan sa Kasaganaan

R.A. No. _____
GENERAL APPROPRIATIONS ACT

R.A. No. _____
GENERAL APPROPRIATIONS ACT
ANNEX A: DETAILS OF THE BUDGET - VOL. 1

R.A. No. _____
GENERAL APPROPRIATIONS ACT
ANNEX A: DETAILS OF THE BUDGET - VOL. 2

Fiscal Year
2014

Fiscal Year
2014

Fiscal Year
2014



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