



“RA 12116 (FY 2025 GAA) :Guidelines on the Release of Funds and its Salient Features”

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OUTLINE OF PRESENTATION

- I. Salient Features of the FY 2025 Budget**
- II. Allotment Release Program**
- III. Validity of Appropriations, FY 2025**
- IV. Obligational Authorities**
- V. Disbursement Authorities**
- VI. Modification in the Allotment**
- VII. Savings and Augmentation**
- VIII. Use of PS Appropriations**
- IX. Important Timelines**



FY 2025 National Budget

P6.326 Trillion

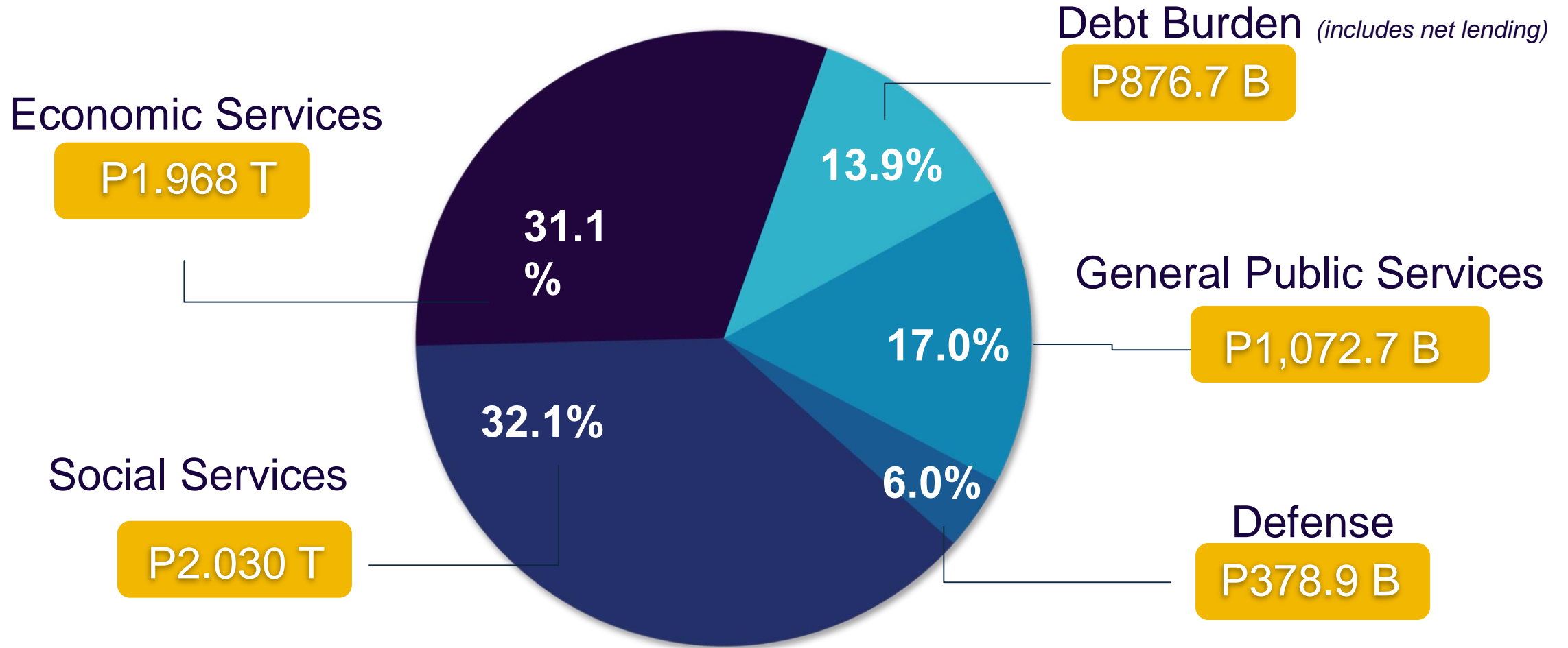


9.5%
y-o-y growth

22.0%
of GDP



FY 2025 Budget by Sector



Social Services Sector



Revitalized Education

Php 1.055 trillion



Quality Healthcare

Php 274.37 billion



Strengthened Social Protection

Php 283.73 billion



Agricultural Modernization and Food Security

Agriculture and Agrarian Reform sector

Php 247.79 B



5.4%
YEAR-ON-YEAR



Build-Better-More Program

Build-Better- More (BBM) Program

Php 1.645 T



8.9%
YEAR-ON-YEAR



Republic of the Philippines
Department of Budget and Management

*Note: FY 2023 Total Infrastructure Budget



The Build-Better-More Program include **186 infrastructure flagship projects** over the medium-term.



Physical connectivity
135 projects



Health
5 projects



Water resources
29 projects



Digital connectivity
4 projects



Agriculture
9 projects



Other infrastructure
2 projects



Power and energy
1 project



Education
1 project

Digital Transformation

ICT Projects

Php 68.9 B



6.7%
YEAR-ON-YEAR



Climate Change Expenditures

Climate change adaptation and mitigation

Php 1.156 T



152.7%
YEAR-ON-YEAR



**National Budget Circular No. 595
dated January 20, 2025**

**“Guidelines on the Release of Funds for
Fiscal Year (FY) 2025”**



ALLOTMENT RELEASE PROGRAM (ARP)

FY 2025 – P6.326 Trillion

1. Programmed GAA Items	₱4.221 Trillion
Agency-Specific Budget	3.694 Trillion
Special Purpose Funds	0.527 Trillion
2. Programmed Automatic Appropriations	₱2.105 Trillion
RLIP	0.069 Trillion
SAGF	0.027 Trillion
IP, NL, TEF, NTA, Block Grant	2.009 Trillion

**Continuing Appropriations, Additional Automatic Appropriations and Unprogrammed Appropriations shall be accommodated within the ARP*



VALIDITY OF APPROPRIATIONS

FY 2025 BUDGET

Appropriation Source	Allotment Class	Release	Obligation
FY2025 GAA, RA No. 12116 (Programmed Appropriations)	Personnel Services (PS)	until December 31, 2025*	
	Maintenance and Other Operating Expenses (MOOE)	until December 31, 2026	
	Capital Outlays (CO)	until December 31, 2026	
	Subsidies to LGUs and GOCCs	until December 31, 2026	Until fully expended
	Special Shares of LGUs in the Proceeds of National Taxes	until December 31, 2026	Until fully expended

** including disbursements*



VALIDITY OF APPROPRIATIONS

FY 2025 BUDGET

Appropriation Source	Allotment Class	Release	Obligation
FY2025 GAA, RA No. 12116 (Unprogrammed Appropriations)	PS	until December 31, 2025*	
	MOOE	until December 31, 2025	until December 31, 2026
	CO		Until fully expended
	Subsidies to GOCCs		
FY2024 GAA, RA No. 11975 (Continuing Appropriations)	MOOE	until December 31, 2025	
	CO	until December 31, 2025	
	Subsidies to GOCCs and LGUs	until December 31, 2025	Until fully expended
	Specials Shares of LGUs in the Proceeds of National Taxes		

* Including disbursements



VALIDITY OF APPROPRIATIONS FY 2025 BUDGET

Appropriation Source	Allotment Class	Release	Obligation
Automatic Appropriations	RLIP, PSpportion of SAGF, Pensions of Former Presidents or their Surviving Spouses, Net Lending, Interest Payments, and Tax Expenditure Fund	until December 31, 2025	
	SAGF, including Grant Proceeds (MOOE and CO)	until December 31, 2025	until December 31, 2026
	National Tax Allotment (NTA) and Annual Block Grant		Until fully expended



OBLIGATIONAL AUTHORITIES

❑ **General Appropriations Act as Allotment Order (GAAAO)**

For items in the GAA, not requiring compliance to some pre-conditions

❑ **General Allotment Release Order (GARO)**

For Retirement and Life Insurance Premium (RLIP)

❑ **Special Allotment Release Order (SARO)**

- For budget items in the GAA classified as For Issuance of SARO (FISARO)
- Items under automatic appropriations



Increases in Appropriations and New Budgetary Items Introduced by Congress in the FY 2025 budget

Approving Authority	Budgetary Item
President of the Philippines	New budgetary items These are new programs, activities and projects that have not been evaluated by the DBM



Increases in Appropriations and New Budgetary Items Introduced by Congress in the FY 2025 budget

Approving Authority	Budgetary Item
President of the Philippines	Budgetary items with increases in the ongoing/ existing programs, activities and projects under the FY 2025 GAA due to: a. upward adjustments made by Congress, and b. Changes due to errata

***FISARO of ₱ 757B**



Absorptive Capacity

Only requests from agencies with **at least 85% performance rate** for the preceding reporting period, both financial and physical, shall be considered for issuance of SARO.

Documentary Requirements (Citizen's Charter):

- Special Budget Request (SBR)
- Budget Execution Documents (BED) 1 - Financial Plan
- BED 2 - Physical Plan
- BED 3 - Monthly Disbursement Program
- Project Profile
- Other documentary requirements under existing guidelines
- Certifications, whichever is applicable:
 - a) Implementation ready
 - b) Pre-requisites from appropriate agencies
 - c) PAP not funded from other sources
- Presidential approval based on initial DBM recommendations



Evaluation Parameters

A – Alignment

S – Shovel-ready

A – Absorptive Capacity

F – Fiscal Space

P – Prioritization



DISBURSEMENT AUTHORITIES

- ❑ **For Cash Disbursements**
 - **Notice of Cash Allocation (NCA)**

- ❑ **For Non-cash Disbursement**
 - Non-Cash Availment Authority (NCAA)
 - Cash Disbursement Ceiling (CDC)
 - Tax Remittance Advice (TRA)
 - Issued by agencies to BIR



DISBURSEMENT AUTHORITIES

❑ Validity of NCAs

MDS Sub-Account	Validity
Regular (including MDS of SAGF)	Until the last working day of 3rd month of a quarter
Trust	Until the last working day of the year
New Foreign-assisted projects (FAPs) pursuant to NBC No. 581	
FAPs-Working fund release to BTr	



Release of NCAS for the 1ST Quarter

The first quarter NCA requirements (January to March 2025) has been comprehensively released at the beginning of the year, based on the DBM-evaluated Monthly Disbursement Program (MDP), consistent with the FY 2025 NEP, submitted by agencies as BED No. 3



Release of NCAS for the Succeeding Quarters

Comprehensive release of NCAs for the succeeding quarters operating requirements (April to December 2025) considering, among others:

- Releases from SPFs/transfers to other departments/agencies;
- Frontloading of critical programs/projects;
- Delay in procurement process; and
- Availment of Working fund, etc.



Release of NCAS for the Succeeding Quarters

Additional NCAs to be issued to cover:

- Allotments chargeable against continuing appropriations under RA No. 11975
- Prior years' obligations which become accounts payables in the current budget year, subject to submission of MDP, SAAODB, Aging of Due and Demandable Obligations, and MRD



Increases in appropriations and new budgetary items introduced by the Congress in the FY 2025

New Budgetary Items 662.3 Billion

Existing P/A/Ps 121.1 Billion

Total CICAs 783.4 Billion

Less: Direct Veto, DPWH 26.1

Billion

For FISABO

757.3

MEANING OF SAVINGS PER SECTION 77 OF GPS

Savings are portions or balances of any released appropriations which **have not been obligated** due to the following conditions:

1. Completion, final discontinuance, or abandonment of a program, activity or project; or
2. Implementation of measures that improve systems and efficiencies, allowing an agency to achieve its planned targets, programs, and services at a lesser cost.

If savings result from discontinuance or abandonment, such discontinued or abandoned program, activity, or project cannot be proposed for funding in the next two (2) fiscal years.



MODIFICATION IN THE ALLOTMENT

Agencies may modify the **allotment issued** **within an activity or project**, upon timely submission of reports and subject to the approval by the designated authority



Approving Authority for the Modification in the Allotment

President of the Philippines

Intelligence Funds within the Executive Branch

Heads of Agencies

Change in the details of an activity or project without changing its nature and within the same OUs

Change in the object of expenditure (e.g., Travelling Expenses, or Investment Outlays) within an allotment class (MOOE or CO)

Use of MOOE for the payment of CNA incentive



Approving Authority for the Modification in the Allotment

DBM Secretary

From one allotment class to another

From one operating unit to another

Payment of newly-authorized Magna Carta benefits not otherwise appropriated



RULES ON AUGMENTATION PER SECTION 78 OF GPS

Augmentation is the use savings by constitutional officers to cover actual deficiencies in any **existing item of appropriation** within their respective offices in the current year.

A **deficiency in an item of appropriation** occurs when following conditions exist:

- Unforeseen modifications or adjustments in the program, activity, and project; or
- Re-assessment in the use, prioritization and/or distribution of resources.



AUTHORITY TO USE SAVINGS PER SECTION 76 OF GPS

The **President of the Philippines**, the **President of the Senate of the Philippines**, the **Speaker of the House of Representatives**, the **Chief Justice of the Supreme Court**, the Heads of the **Civil Service Commission**, the **COMELEC**, and the **COA** are authorized to augment deficiency in any existing item of their respective appropriations.



USE OF PS APPROPRIATIONS PER SECTION 53 OF GPS

₱ 1.63T = 27%

PS appropriations shall be used for the payment of authorized personnel benefits, as well as for the payment of deficiencies within a department or agency, subject to the **approval of the Agency Head** and based on Advice for Use of PS Allotment (APSA) and Registry of Allotments and Obligations for PS (RAOPS)



USE OF PS APPROPRIATIONS

Available PS Allotments may be frontloaded for payment of PS deficiencies

May be used to cover PS deficiencies:

Authorized Magna Carta benefits

Specific-purpose allowances and benefits

Award of backpay for cases with final and executory decisions of Courts, CSC, COA, etc

Personnel benefits authorized in prior years, approved for payment during the current year.
These benefits shall not be considered as prior years' unbooked obligations

Reclassification of faculty positions pursuant to NBC No. 461 and DBM-CHED JC No. 3, s. 2022



LIMITATION IN THE USE OF PS APPROPRIATIONS

Released allotments which cannot be reallocated to other object of expenditures:

- a. Retirement and Life Insurance Premium (RLIP)
- b. Special Account in the General Funds (SAGFs), except if expressly authorized in the law creating it

Available released allotments cannot be used to pay CNA Incentives



IMPORTANT TIMELINES

November 14, 2025

- submission to DBM of all agency requests for any release requiring issuance of SAROs/additional NCAs
-

Within thirty (30) days after the end of each quarter

- submission to DBM and COA of the Budget and Financial Accountability Reports (BFARs), prescribed under COA-DBM Joint Circular 2019-1
-

Within 30 days after the end of the year

- Aging of Unpaid Obligations (FAR No. 3), as prescribed under item 4.3 COA-DBM JC No. 2019-1
-



IMPORTANT TIMELINES

On or before the tenth (10th) day of the month immediately following the covered period

- Monthly Report of Disbursements (MRD), using Financial Accountability Report (FAR) No. 4, as prescribed under item 4.3 COA-DBM JC No. 2019-1

Dates prescribed under CL 2022 - 14

- submission to DBM of agencies' Monthly Disbursement Program (MDP) and revised performance targets

Review of agency performance covering the current year: First semester review on or before the end of September of the current year and full year review on or before the end of March of the succeeding year





DAGHANG SALAMAT!

P- Pangalagaan

B- Bawat Barya Para sa

B- Bansang

M- Minamahal

D- Do

B- Budget and

M- Management

with

R- Resilience

H- Heart

E- Excellence &

A- Accountability

Always!

ASSISTANT SECRETARY MARY ANNE Z. DELA VEGA

March 26, 2025