



OPENING STATEMENT

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Secretary of Finance

Senate Committee on Finance

October 3, 2022

Presentation Outline

- 1 DOF ACCOMPLISHMENTS FOR 2021-2022**
- 2 OVERVIEW OF THE 2023 BUDGET PROPOSAL**



DOF ACCOMPLISHMENTS FOR 2021-2022

2021 revenue collections expanded by 5.2 percent y-o-y and exceeded the DBCC-approved full-year program by 4.3 percent

Particulars (in PHP Billion)	January to December				
	2021 Actual	2020 Actual	YoY Growth	2021 Program	% Difference
Revenues	3,005.54	2,855.96	5.24%	2,881.5	4.30%
Tax revenues	2,742.68	2,504.42	9.52%	2,714.8	1.02%
BIR	2,078.11	1,951.02	6.52%	2,081.2	(0.15%)
BOC	643.56	537.69	19.69%	616.7	4.35%
Other offices	21.01	15.71	33.75%	16.9	24.32%
Non-tax revenues	262.86	351.54	(25.24%)	166.7	57.68%
BTr income	125.33	219.68	(42.95%)	74.7	67.78%
Others	137.52	131.86	4.27%	92.0	49.48%

January to August 2022 collections posted an **18.1 percent growth compared to the same period in 2021, and exceeded the DBCC-approved program by **7.1 percent****

Particulars (in PHP Billion)	January to August				
	2022 Actual	2021 Actual	YoY Growth	2022 Program	% Difference
Revenues	2,368.6	2,005.7	18.09%	2,212.1	7.1%
Tax revenues	2,130.7	1,816.4	17.30%	2,084.1	2.2%
BIR	1,558.9	1,388.7	12.25%	1,585.9	(1.7%)
BOC	559.2	412.3	35.64%	480.3	16.4%
Other offices	12.6	15.5	(18.29%)	17.9	(29.4%)
Non-tax revenues	237.9	189.3	25.69%	128.2	85.6%
BTr income	122.4	99.9	22.50%	57.1	114.4%
Others	115.5	89.3	29.26%	71.1	62.5%

Our financing program will ensure the fulfillment of the administration's 8-point socioeconomic agenda

Particulars (in PHP billion)	2021 Actual	2022	2023	2024	2025	2026	2027	2028
Revenues	3,005.5	3,304.1	3,632.9	4,062.6	4,576.8	5,155.3	5,821.4	6,589.0
% of GDP	15.5	15.2	15.3	15.6	16.0	16.5	17.0	17.6
Disbursements	4,675.6	4,954.6	5,085.8	5,402.0	5,759.7	6,249.6	6,916.0	7,711.7
% of GDP	24.1	22.9	21.4	20.7	20.2	20.0	20.2	20.6
Infrastructure (Disbursements)	1,123.6	1,199.5	1,180.2	1,297.2	1,423.0	1,644.1	1,945.5	2,327.0
% of GDP	5.8	5.5	5.0	5.0	5.0	5.3	5.7	6.2
Deficit	(1,670.1)	(1,650.5)	(1,452.9)	(1,339.4)	(1,182.8)	(1,094.3)	(1,094.6)	(1,122.7)
% of GDP	(8.6)	(7.6)	(6.1)	(5.1)	(4.1)	(3.5)	(3.2)	(3.0)
Gross Financing	2,550.0	2,212.0	2,207.0	2,418.0	2,075.0	2,167.0	2,273.0	2,277.0
Total NG Debt % of GDP	60.5	62.0	61.4	60.2	58.5	56.7	53.6	51.2

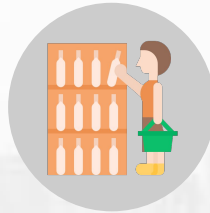
Our stern exercise of fiscal prudence has helped **affirm
our record-high credit ratings despite global downgrades.**



Through the joint efforts of the DOF and Congress, we have passed landmark measures amid the pandemic



**CORPORATE
RECOVERY AND TAX
INCENTIVES FOR
ENTERPRISES (CREATE)
ACT**



**AMENDMENTS TO THE
RETAIL TRADE
LIBERALIZATION ACT**



**AMENDMENTS TO
THE FOREIGN
INVESTMENTS ACT**



**AMENDMENTS TO THE
PUBLIC SERVICE ACT**



**AMENDMENTS TO THE
AGRI-AGRA LAW**



**AMENDMENTS TO THE
PDIC CHARTER**



**FINANCIAL INSTITUTIONS
STRATEGIC TRANSFER ACT**

We will continue to work with Congress in pushing for key reforms crucial to accelerating economic development

TAX REFORMS



REAL PROPERTY VALUATION
AND ASSESSMENT
REFORM (RPVAR)



IMPOSITION OF VAT
ON DIGITAL GOODS
AND SERVICES



PASSIVE INCOME AND
FINANCIAL
INTERMEDIARY TAXATION
ACT (PIFITA)

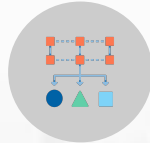


RATIONALIZATION
OF MINING FISCAL
REGIME



EXCISE TAX
ON SINGLE-USE
PLASTIC BAGS

LGU FISCAL REFORMS



LGU INCOME
CLASSIFICATION



LGU PROPERTY
INSURANCE



BILLS AMENDING THE
LOCAL GOVERNMENT
CODE OF 1991

OTHER PRIORITY MEASURES



MILITARY AND
UNIFORMED
PERSONNEL (MUP)
PENSION REFORM BILL



AMENDMENTS TO
LANDBANK OF THE
PHILIPPINES
CHARTER



LIVESTOCK
DEVELOPMENT AND
COMPETITIVENESS
BILL



CAPITAL MARKET
DEVELOPMENT BILL



AMENDMENTS TO
PCIC CHARTER



OVERVIEW OF THE DOF's PROPOSED 2023 BUDGET

PHP 30.6-billion Proposed Budget for 2023

Fund Source	DOF and Attached Agencies	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New Programmed General and Automatic Appropriations	Office of the Secretary (OSEC)	1,124.71	1,073.91	(50.80)	(4.52%)
	Bureau of Internal Revenue (BIR)	11,766.02	13,147.05	1,381.04	11.74%
	Bureau of Customs (BOC)	3,631.79	6,004.44	2,372.66	65.33%
	Bureau of the Treasury (BTR)	4,270.72	4,224.63	(46.09)	(1.08%)
	Bureau of Local Government Finance (BLGF)	551.04	599.74	48.70	8.84%
	Insurance Commission (IC)	389.82	485.11	95.29	24.44%
	National Tax Research Center (NTRC)	79.31	108.25	28.93	36.48%
	Privatization Management Office (PMO)	100.10	102.56	2.46	2.46%
	Central Board of Assessment Appeals (CBAA)	17.48	15.86	(1.62)	(9.24%)
SUBTOTAL		21,930.97	25,761.55	3,830.58	17.47%
Budgetary Support to GOCCs	Philippine Tax Academy (PTA)	95.41	98.67	3.26	3.42%
	Philippine Crop Insurance Corporation (PCIC)	4,500.00	4,500.00	–	0.00%
Unprogrammed Appropriations	Refund of Service Development Fee for the ROP's Nampeidai Property in Tokyo, Japan	210.58	210.58	–	0.00%
TOTAL		26,736.96	30,570.80	3,833.83	14.34%

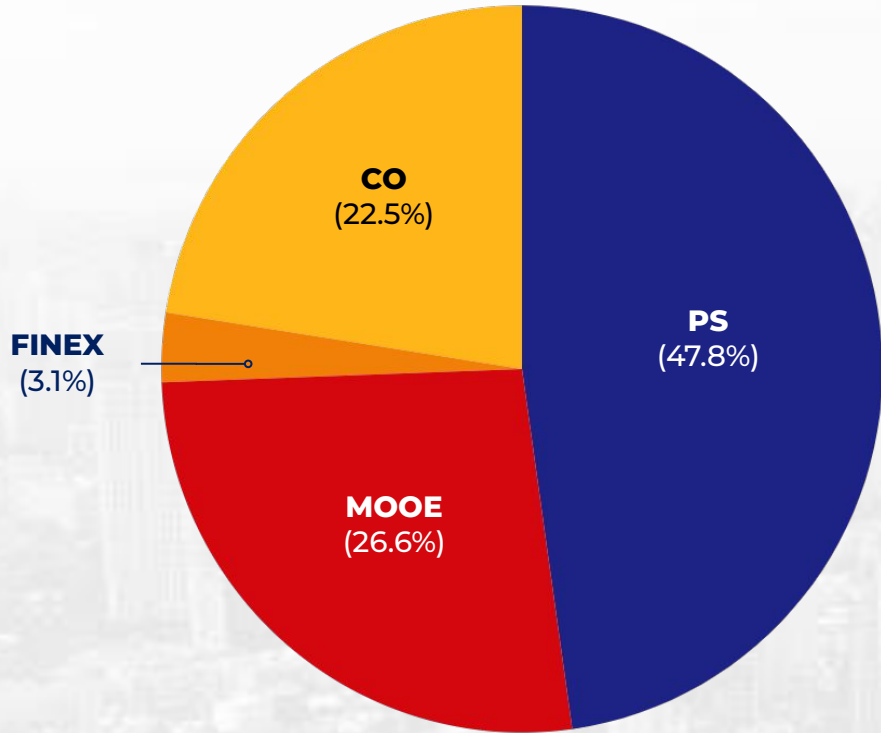
Note: Automatic Appropriations consist of the funding for Retirement and Life Insurance Premiums (RLIP) amounting to PHP 968.01 million and distributed across all attached agencies excluding the PMO; and the Special Account in the General Fund (SAGF) amounting to PHP 1,900 million distributed between BOC and IC.

DOF's New General Appropriations and Utilization Rates (in PHP millions)

DOF and Attached Agencies	FY 2022 GAA	FY 2023 Proposal	FY 2023 NEP	% Change (2022 vs 2023)	2021 Obligation/ Allotment Rate	2021 Disbursement /Obligation Rate	June 2022 Obligation/ Allotment Rate	June 2022 Disbursement /Obligation Rate
Office of the Secretary (OSEC)	1,084.60	1,528.66	1,031.94	(4.86%)	88.72%	86.15%	53.23%	69.49%
Bureau of Internal Revenue (BIR)	11,122.01	27,428.15	12,446.73	11.91%	95.91%	91.10%	59.60%	73.85%
Bureau of Customs (BOC)	3,137.02	10,950.65	4,435.60	41.40%	92.14%	81.28%	55.72%	69.33%
Bureau of the Treasury (BTR)	4,229.54	4,305.74	4,180.56	(1.16%)	95.53%	99.68%	93.33%	99.40%
Bureau of Local Government Finance (BLGF)	532.49	717.09	579.88	8.90%	71.79%	93.06%	31.41%	95.55%
National Tax Research Center (NTRC)	74.34	135.01	101.00	35.87%	99.37%	98.75%	51.90%	94.72%
Privatization Management Office (PMO)	100.10	102.52	102.56	2.46%	99.93%	100.00%	50.49%	100.00%
Central Board of Assessment Appeals (CBAA)	16.24	19.05	14.74	(9.25%)	96.66%	99.91%	43.20%	100.00%
Insurance Commission (IC)	0.006	0.006	0.006	0.00%	98.61%	90.02%	42.87%	98.66%
TOTAL (in Million Pesos)	20,296.33	45,186.87	22,893.00	12.79%	95.12%	96.42%	79.34%	92.27%

Note: FY2022 and FY2023 Amounts are under New Programmed General Appropriations while the Budget Utilization Rates include all fund sources.

FY 2023 Proposed New Programmed General and Automatic Appropriations, per Allotment Class






Allotment Class	Amount (in PHP millions)
PS	12,308.02
MOOE	6,862.34
FINEX	792.21
CO	5,798.97
Total	25,761.55

The DOF's 2023 Budget highlights the Department's **digitalization and modernization initiatives**



All Agencies	Budget for ICT Programs/Initiatives as per FY2023 NEP (in PHP millions)
OSEC	146.48
BIR	2,221.51
BOC	1,741.05
BTR	307.27
IC	100.68
BLGF	4.94
NTRC	2.82
PMO	9.08
CBAA	0.00
Total	4,533.83

78.1 percent (PHP 17.9 billion) of the DOF's new appropriations will fund the Department's **operations**

		2023 Amount (in PHP millions)	% Increase from 2022 Budget
	BIR Revenue Administration Program	9,590.5	12.7%
	BOC Customs Revenue Enhancement Program Customs Border Protection and Cargo Control and Clearance Program	3,188.2 649.0	79.0% 9.9%
	BTR Financial Asset Management Program NG Accounting Program Debt and Risk Management Program	3,142.1 391.8 50.8	(1.7%) (0.4%) (6.2%)
	BLGF Local Finance Administration Program	444.5	16.9%
	Others	431.7	
TOTAL		17,888.4	16.5%

An aerial photograph of a city skyline, likely Manila, Philippines, with a blue overlay. The image features several decorative geometric shapes: a yellow triangle in the upper left, a red circle in the upper right, a red circle in the lower left, and a yellow diamond in the lower right. The text is centered in the middle of the image.

**The DOF's proposed budget
will equip us with the tools to keep
the country's fiscal health in fighting shape.**



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BACK UP VISUALS

DOF's PHP 30.6-billion Proposed Budget for 2023

(in PHP millions)	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	20,296.34	22,893.00	2,596.67	12.79%
Automatic Appropriations	1,634.64	2,868.54	1,233.90	75.48%
Retirement and Life Insurance Premiums (GSIS)	897.40	968.01	70.62	7.87%
Special Accounts in the General Fund (SAGF)	737.24	1,900.53	1,163.29	157.79%
Budgetary Support to GOCCs	4,595.41	4,598.67	3.26	0.07%
Philippine Tax Academy (PTA)	95.41	98.67	3.26	3.42%
Philippine Crop Insurance Corporation (PCIC)	4,500.00	4,500.00	-	0.00%
Unprogrammed Appropriations	210.58	210.58	-	0.00%
Total (In Million Pesos)	26,736.96	30,570.80	3,833.83	14.34%

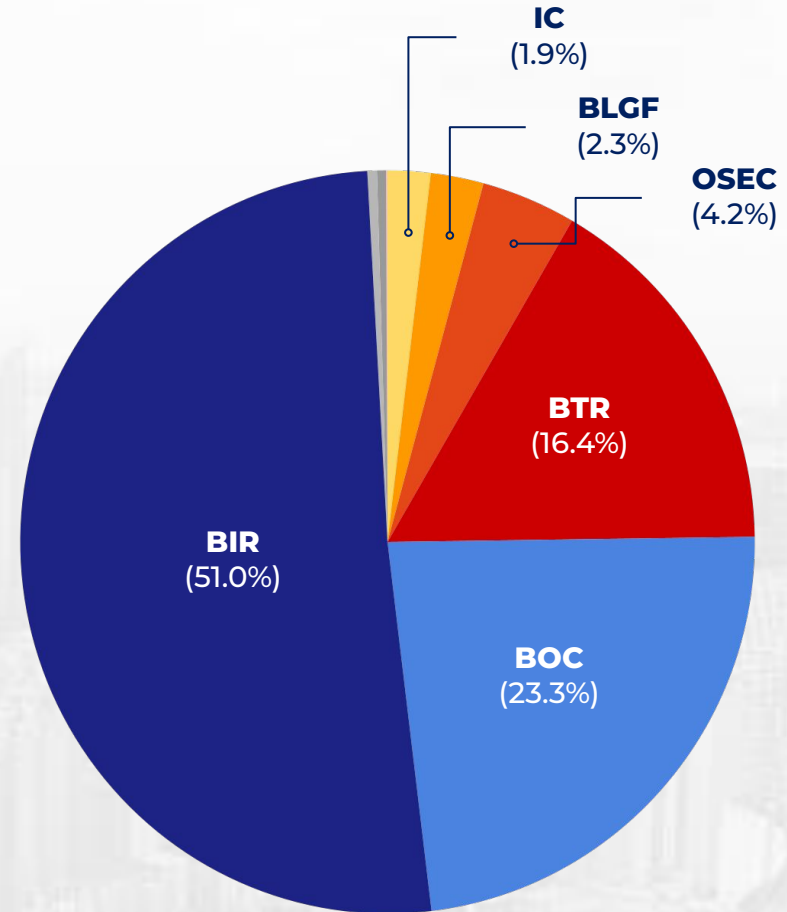
Budget Proposal per Fund Source

(in PHP millions)

	New GA					AUTO-RLIP	AUTO-SAGF					BSTG	UA	Grand Total				
	PS	MOOE	FINEX	CO	TOTAL	PS	PS	MOOE	CO	TOTAL	MOOE	MOOE	PS	MOOE	FINEX	CO	TOTAL	
OSEC	488.59	440.37		102.98	1,031.94	41.97				-	-	210.58	530.56	650.94		102.98	1,284.49	
BIR	7,933.37	3,789.97	80.21	643.18	12,446.73	700.32				-	-	-	8,633.69	3,789.97	80.21	643.17	13,147.05	
BOC	1,814.76	1,047.82		1,573.02	4,435.60	153.42		455.43	960.00	1,415.43	-	-	1,968.18	1,503.24		2,533.02	6,004.44	
BTR	486.49	587.79	712.00	2,394.28	4,180.56	44.07				-	-	-	530.56	587.79	712.00	2,394.28	4,224.63	
BLGF	222.38	249.87		107.63	579.88	19.87				-	-	-	242.24	249.87		107.63	599.74	
IC	0.001				0.01		225.22	249.05	10.83	485.10	-	-	225.22	249.05		10.83	485.12	
NTRC	78.44	19.74		2.83	101.00	7.24				-	-	-	85.68	19.74		2.83	108.25	
PMO	78.32	20.00		4.24	102.56					-	-	-	78.32	120.00		4.24	102.56	
CBAA	12.44	2.30			14.74	1.12				-	-	-	13.56	2.30		0.00	15.86	
Sub-total	11,114.79	6,157.86	792.21	4,828.13	22,893.00	968.01	225.22	704.48	970.83	1,900.53	0.00	210.58	12,308.02	7,072.92	792.21	5,798.97	25,972.12	
PTA					-					-	98.67		-	98.67		-	98.67	
PCIC					-					-	4,500.00		-	4,500.00		-	4,500.00	
Sub-total	-	-	-	-	-	-	-	-	-	-	4,598.67	0.000	0.000	4,598.67	-	-	4,598.67	
Grand Total	11,114.79	6,157.86	792.21	4,828.13	22,893.00	968.01	225.22	704.48	970.83	1,900.53	4,598.67	210.58	12,308.02	11,671.60	792.21	5,798.97	30,570.8	

FY 2023 Proposed New Programmed General and Automatic Appropriations, per Agency

Agency	Amount (in PHP millions)
BIR	13,147.05
BOC	6,004.44
BTR	4,224.62
OSEC	1,073.91
BLGF	599.74
IC	485.11
NTRC	108.25
PMO	102.55
CBA	15.86
Total	25,761.55





FUND UTILIZATION RATES

DOF and Attached Agencies' Budget Utilization Rates for 2021 Budget (As of December 31, 2021, in PHP millions)

AGENCY	APPROPRIATIONS	ALLOTMENTS	OBLIGATIONS	DISBURSEMENTS	OBLIGATION/ ALLOTMENT	DISBURSEMENT/ OBLIGATION
OSEC	1,092.93	1,092.92	969.59	835.27	88.72%	86.15%
BOC	3,953.00	3,911.45	3,604.07	2,929.37	92.14%	81.28%
BIR	11,839.62	11,839.62	11,355.60	10,344.43	95.91%	91.10%
BLGF	414.58	414.58	297.62	276.96	71.79%	93.06%
BTr	40,977.52	40,977.52	39,143.85	39,017.77	95.53%	99.68%
CBAA	21.33	21.33	20.62	20.60	96.66%	99.91%
IC	361.82	361.82	356.78	321.17	98.61%	90.02%
NTRC	84.86	84.86	84.32	83.27	99.37%	98.75%
PMO	84.25	84.25	84.19	84.19	99.93%	100.00%
TOTAL	58,829.89	58,788.32	55,916.64	53,913.04	95.12%	96.42%

DOF and Attached Agencies' Budget Utilization Rates for 2022 Budget (As of June 30, 2022, in PHP millions)

AGENCY	APPROPRIATIONS	ALLOTMENTS	OBLIGATIONS	DISBURSEMENTS	OBLIGATION/ ALLOTMENT	DISBURSEMENT/ OBLIGATION
OSEC	1,205.48	1,205.48	641.62	445.84	53.23%	69.49%
BOC	3,602.57	3,502.57	1,951.54	1,353.03	55.72%	69.33%
BIR	12,354.95	12,354.95	7,363.63	5,438.06	59.60%	73.85%
BLGF	556.36	556.36	174.74	166.96	31.41%	95.55%
BTr	28,984.95	28,984.95	27,052.63	26,890.82	93.33%	99.40%
CBAA	19.39	19.39	8.38	8.38	43.20%	100.00%
IC	389.83	389.82	167.11	164.87	42.87%	98.66%
NTRC	101.51	101.51	52.69	49.90	51.90%	94.72%
PMO	102.23	102.23	51.62	51.62	50.49%	100.00%
TOTAL	47,317.25	47,217.24	37,463.94	34,569.46	79.34%	92.27%



DETAILED BUDGET PROPOSAL **per agency**

DOF and Attached Agencies' FY 2023 NEP per allotment class (In PHP millions)

DOF and Attached Agencies	PS	MOOE	FINEX	CO	TOTAL
Office of the Secretary (OSEC)	530.56	440.37		102.98	1,073.92
Bureau of Internal Revenue (BIR)	8,633.69	3,789.97	80.21	643.17	13,147.05
Bureau of Customs (BOC)	1,968.18	1,503.24		2,533.02	6,004.44
Bureau of the Treasury (BTR)	530.56	587.79	712.00	2,394.28	4,224.63
Bureau of Local Government Finance (BLGF)	242.24	249.87		107.63	599.74
Insurance Commission (IC)	225.22	249.05		10.83	485.12
National Tax Research Center (NTRC)	85.68	19.74		2.83	108.25
Privatization Management Office (PMO)	78.32	20.00		4.24	102.56
Central Board of Assessment Appeals (CBAA)	13.56	2.30		0.00	15.86
TOTAL (in Million Pesos)	12,308.02	6,862.34	792.21	5,798.97	25,761.54

OFFICE OF THE SECRETARY

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Difference	% Change
New General Appropriations	1,084.60	1,031.94	(52.67)	(4.86%)
Personnel Services (PS)	475.18	488.59	13.41	2.82%
Maintenance and Other Operating Expenses (MOOE)	435.27	440.37	5.10	1.17%
Capital Outlay (CO)	174.15	102.98	(71.17)	(40.87%)
Automatic Appropriations (RLIP)	40.10	41.97	1.87	4.66%
TOTAL	1,124.71	1,073.91	(50.80)	(4.52%)

BUREAU OF TREASURY

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	4,229.54	4,180.56	(48.98)	(1.16%)
Personnel Services (PS)	462.54	486.49	23.95	5.18%
Maintenance and Other Operating Expenses (MOOE)	627.20	587.79	(39.41)	(6.28%)
Financial Expenses (FINEX)	712.00	712.00	-	0.00%
Capital Outlay (CO)	2,427.80	2,394.28	(33.53)	(1.38%)
Automatic Appropriations (RLIP)	41.18	44.07	2.88	7.00%
TOTAL	4,270.72	4,224.63	(46.09)	(1.08%)

BUREAU OF INTERNAL REVENUE

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	11,122.01	12,446.73	1,324.72	11.91%
Personnel Services (PS)	7,172.20	7,933.37	761.18	10.61%
Maintenance and Other Operating Expenses (MOOE)	3,569.32	3,789.97	220.66	6.18%
Financial Expenses (FINEX)	97.82	80.21	(17.61)	(18.00%)
Capital Outlay (CO)	282.68	643.17	360.49	127.52%
Automatic Appropriations (RLIP)	644.00	700.32	56.32	8.75%
TOTAL	11,766.02	13,147.05	1,381.04	11.74%

BUREAU OF CUSTOMS

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	3,137.02	4,435.60	1,298.58	41.40%
Personnel Services (PS)	1,708.49	1,814.76	106.27	6.22%
Maintenance and Other Operating Expenses (MOOE)	1,055.29	1,047.82	(7.48)	(0.71%)
Capital Outlay (CO)	373.24	1,573.02	1,199.79	321.46%
Automatic Appropriations (RLIP and SAGF)	494.77	1,568.85	1,074.08	217.09%
Personnel Services (PS)	147.34	153.42	6.08	4.13%
Maintenance and Other Operating Expenses (MOOE)	347.43	455.43	108.00	31.09%
Capital Outlay (CO)	-	960.00	960.00	%
TOTAL	3,631.79	6,004.44	2,372.66	65.33%

BUREAU OF LOCAL GOVERNMENT FINANCE

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	532.49	579.88	47.39	8.90%
Personnel Services (PS)	202.08	222.38	20.30	10.04%
Maintenance and Other Operating Expenses (MOOE)	302.58	249.87	(52.71)	(17.42%)
Capital Outlay (CO)	27.83	107.63	79.80	286.80%
Automatic Appropriations (RLIP)	18.56	19.87	1.31	7.06%
TOTAL	551.04	599.74	48.70	8.84%

INSURANCE COMMISSION

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	0.006	0.006	0.000	0.00%
Personnel Services (PS)	0.006	0.006	0.000	0.00%
Automatic Appropriations (RLIP)	389.816	485.103	95.287	24.44%
Personnel Services (PS)	237.445	225.218	(12.227)	(5.15%)
Maintenance and Other Operating Expenses (MOOE)	136.330	249.053	112.723	82.68%
Capital Outlay (CO)	16.041	10.832	(5.209)	(32.47%)
TOTAL	389.822	485.109	95.287	24.44%

NATIONAL TAX RESEARCH CENTER

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	74.34	101.00	26.67	35.87%
Personnel Services (PS)	54.00	78.44	24.44	45.25%
Maintenance and Other Operating Expenses (MOOE)	17.67	19.75	2.07	11.74%
Capital Outlay (CO)	2.67	2.83	0.16	5.81%
Automatic Appropriations (RLIP)	4.98	7.24	2.27	45.62%
TOTAL	79.31	108.25	28.93	36.48%

PRIVATIZATION AND MANAGEMENT OFFICE

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	100.10	102.56	2.46	2.46%
Personnel Services (PS)	76.09	78.32	2.23	2.94%
Maintenance and Other Operating Expenses (MOOE)	18.83	20.00	1.17	6.22%
Capital Outlay (CO)	5.18	4.24	(0.95)	(18.24%)
TOTAL	100.10	102.56	2.46	2.46%

CENTRAL BOARD OF ASSESSMENT APPEALS

New General Appropriations and Automatic Appropriations (In PHP millions)

Allotment Class	FY 2022 GAA	FY 2023 NEP	Variance	% Change
New General Appropriations	17.48	15.86	(1.62)	(9.24%)
Personnel Services (PS)	14.93	13.56	(1.36)	(9.14%)
Maintenance and Other Operating Expenses (MOOE)	2.55	2.30	(0.25)	(9.84%)
Capital Outlay (CO)	-	-	-	
Automatic Appropriations (RLIP)	1.23	1.12	(0.11)	(9.08%)
TOTAL	17.48	15.86	(1.62)	(9.24%)

Other Items for Proposed Funding (In PHP millions)

Budget Support to Government Corporations					
	DOF and Attached Agencies	FY 2022 GAA	FY 2023 NEP	Variance	% Change
1	Philippine Tax Academy (PTA)	95.41	98.68	3.26	3.42%
2	Philippine Crop Insurance Commission (PCIC)	4,500.00	4,500.00	- .0	0.00%
TOTAL		4,595.41	4,598.67	3.26	0.07%

Unprogrammed Appropriations					
	DOF - Office of the Secretary	FY 2022 GAA	FY 2023 NEP	Variance	% Change
	Refund of Service Development Fee for the Right to Develop the Nampeidai Property in Japan	210.58	210.58	-	%

DOF Staffing Summary (As of August 31, 2022)

AGENCY	2021 Actual			2022 Emerging			2023 Proposed			% of Unfilled Positions as of August 31, 2022
	Filled	Unfilled	Total	Filled	Unfilled	Total	Filled	Unfilled	Total	
OSEC	502	353	855	479	376	855	511	344	855	43.98%
BOC	3,497	2,759	6,256	3,559	2,700	6,259	3,503	2,761	6,264	43.14%
BIR	13,240	8,323	21,563	117,102	4,455	21,557	13,833	7,724	21,557	20.67%
BLGF	281	90	371	287	84	371	315	143	458	22.64%
BTR	621	684	1,305	622	683	1,305	623	682	1,305	52.34%
CBAA	16	7	26	15	11	26	16	10	26	42.31%
IC	208	138	346	216	130	346	216	130	346	37.57%
NTRC	95	71	166	102	82	184	103	81	184	44.57%
PMO	69	7	76	66	10	76	76	0	76	13.16%
SEC	525	142	667	593	305	898	586	312	898	33.96%
Total	19,054	12,574	31,631	19,147	12,502	31,649	19,782	12,187	31,969	27.72%



FY2021 COA FINDINGS AND RECOMMENDATIONS

COA rendered an **unqualified opinion** on the fairness of the DOF's financial statements for FY2021.

PARTICULARS (in PHP millions)	2021	2020 (As Restated)	Increase / Decrease
Financial Position			
Assets	1,592.78	1,687.94	(95.16)
Liabilities	72.79	164.64	(91.85)
Net Assets/Equity	1,519.99	1,523.30	(3.31)
Financial Performance			
Revenue	5.88	6.59	(0.71)
Expenses	974.44	943.86	30.57
Net Financial Subsidy	980.21	907.11	73.11
Gains	0.0003	0.049	(0.049)
Losses	0.098	0.00	0.098
Surplus (Deficit) for the period	11.56	(30.12)	41.68
Sources and Application of Funds			
Appropriations	989.05	984.65	4.40
Allotments Received	1,092.92	1,049.88	43.04
Obligations Incurred	969.59	801.46	168.13
Unobligated Allotments	123.33	248.42	(125.09)

The DOF has vastly complied with COA's recommendations.

Significant Audit and Observation	Recommendation (as agreed by the Management)	Compliance Status (as of September 2022)
Unliquidated fund transfers to GOCCs (PHP 18.5 million)	Direct the Chief Accountant to require the liquidation by the concerned GOCCs of all remaining fund transfers	
Non-recognition of deliveries due to non-submission of Delivery Receipts and Inspection and Acceptance Report (PHP 4.8 million)	Require the PMD Chief to submit the deficient documents to recognize in the books the deliveries of goods from the Procurement Service.	
Unrefunded costs of employees who have not completed their scholarship program (PHP 3.4 million)	Require the employees to refund the amount received while on study leave and/or authorize Chief Accountant to deduct from their salaries the pending balance to be refunded	
Unremitted GSIS contributions and loan amortizations deducted from personnel (PHP 1.1 million)	Require the Chief Accountant to determine whether the balance is indeed due for remittance, continue to reconcile records with GSIS, and refund the amount erroneously deducted from the personnels' wages.	

Status of Implementation of COA Recommendations

As of December 31, 2021

Agency	Implemented		Not Implemented		Total
	Number	%	Number	%	
Office of the Secretary (OSEC)	18	50.00%	18	50.00%	36
Bureau of Customs (BOC)	60	68.18%	28	31.82%	88
Bureau of Internal Revenue (BIR)	100	64.52%	55	35.48%	155
Bureau of the Treasury (BTr)	125	84.46%	23	15.54%	148
BTr-National Government (NG) Oversight	73	80.22%	18	19.78%	91
BTr-Regular Agency (RA) Proper	52	91.23%	5	8.77%	57
Bureau of Local Government Finance (BLGF)	73	69.52%	32	30.48%	105
Insurance Commission (IC)	6	100.00%	0	0.00%	6
National Tax Research Center (NTRC)	4	100.00%	0	0.00%	4
Privatization and Management Office (PMO)	14	35.00%	26	65.00%	40
Securities and Exchange Commission (SEC)	24	68.57%	11	31.43%	35
Central Board of Assessment Appeals (CBAA)	N/A	N/A	N/A	N/A	0
Grand Total	424	68.72%	193	31.28%	617



EARMARKED REVENUES AND OFF-BUDGET ACCOUNTS

Earmarked Revenues in the DOF Budget, 2022-2023, in PHP millions

Agency/Fund	Legal Bases	Source/Nature of Revenues	Dec 2021 Balance	2022 Program Revenues	2022 Program Expenditures	2023 Proposed Revenues	2023 Proposed Expenditures
TOTAL			18,220.6	1,482.59	737.24	2,066.55	1,900.53
Bureau of Customs							
Non-Intrusive Container Inspection System Project Fund	EO 592 EO 635	Income collected from the Container Security Fee	1,953.11	724.07	297.43	598.50	1,365.43
Super Green Lane Trust Fund	EO 230 EO 563	Income from the service fees charged for shipments of qualified importers utilizing the Super Green Lane (SGL) facility	808.22	127.51	50.00	149.70	50.00
Bureau of Internal Revenue							
Special Education Fund	RA 5447	1% share in the taxes on locally-manufactured Virginia-type cigarettes	9,271.39	384.09	-	1,050.74	-
	RA 9337 RA 10963	Value Added Taxes	-	15.00	-	15.00	-
Insurance Commission							
Insurance Fund	RA 8424 PD 612	25% share in the premium tax collections of the BIR	4,660.01	-	151.37	-	259.89
Pre-Need Fund	RA 9829	Fees and charges and other income derived from the regulation of pre-need companies	1,527.89	231.92	237.45	252.62	225.22

Off Budget Accounts in the DOF Budget, 2022-2023, in PHP millions

Agency/Fund	Legal Bases	Source/Nature of Revenues	Class/Nature of Expenditures	Dec 2021	2022 Program		2023 Proposed	
				Balance	Receipt	Expenditures	Receipt	Expenditures
TOTAL				5,933.91	3,543.2	3,306.0	4,532.5	4,079.8
Office of the Secretary								
Revolving Fund (Municipal Development Fund Office)	PD 1914 DOF, COA, DBM JC No. 3-84 and 3-87	Others	Relending to LGUs	721.43	24.17	24.17	-	-
Donations and Grants in Cash	Grant Agreement	Germany for KFW-IDF STRATCOM 2014-2019; for KFW-IDF CEFIR 2017-2019; for KFW-IDF Mine Operation for MOOE/CO for various projects - 2018-2019; and KFW-IDF ARTA and KFW-IDF PPSA - 2019	MOOE for various projects - for KFW-IDF STRATCOM, KFW-IDF PPSA for MOOE/CO for various projects - for KFW-IDF CEFIR, KFW-IDF PTA and KFW-IDF ARTA II	289.73	-	-	-	-
Bureau of Customs								
Trust Receipts	DOF-BOC-BIR JMO 1-2020	Other Service Income	N/A	813.93	284.22	1,830.52	1,144.46	1,929.37
Privatization and Management Office								
Revolving Fund	EO 323 s. 2000	Income from conservation and disposition of transferred assets	Costs and expenses incurred by the office in the conservation and disposition of PMO transferred assets as provided under EO 323	124.44	72.32	85.00	72.42	85.00
Securities and Exchange Commission								
Revolving Fund	General Provisions in the GAA	Building Rental	Building Maintenance (reverted to the BTr)	-	455.37	-	478.14	-
Retained Income/Receipts	RA 8799	Various fees from Securities Regulation Code (SRC)	MOOE and CO, remaining balance reverted to BTr	98.26	100.00	100.00	100.00	100.00
	RA 11232		PS, MOOE, and CO	3,871.70	2,607.16	1,266.31	2,737.52	1,965.37
	RA 9856	50% of REIT collections	MOOE and CO	14.16	-	-	-	-
Trust Receipts	RA 3870	Legal research fee	Balance reverted to the BTr	0.25	-	-	-	-



MACROECONOMIC STATISTICS

Comparison of the Indicative Loan Terms of Selected Bilateral Development Partners (As of September 6, 2022)

PARTICULARS	CHINA		JAPAN		KOREA (KEXIM)	FRANCE
	China Eximbank		(JICA)			(AFD)
COST OF BORROWING						
Currency	USD	RMB	JPY	USD	KRW	EUR
Tenor (Final Maturity and Grace Period)	20 (7)	20 (5)	40 (10)	25 (7)	40 (10)	10 (3)
Average Maturity	13.75 yrs	12.75 yrs	25.25 yrs	16.25 yrs	25.25 yrs	6.75 yrs
Quoted Interest Rate	2.000%	2.000%	0.100%	4.760%	0.150%	1.687%
Fixed USD Equivalent (A)	2.000%	-0.476%	2.897%	4.548%	2.072%	3.053%
Comparable ROP (B)	5.038%	4.965%	5.119%	5.039%	5.119%	4.133%
Implied Savings (B-A)	3.038%	4.965%	2.222%	0.491%	3.0470%	1.080%
OTHER FEES						
Commitment Fee (% of the undisbursed loan amount)	0.3%	0.25%	n/a	n/a	n/a	0.15%
Management Fee (one-time)	0.3%	0.25%	n/a	n/a	n/a	n/a
Upfront Fee (one-time)	n/a	n/a	0.20%	0.20%	n/a n/a	n/a
Service Charge	n/a	n/a	n/a	n/a	0.1%	n/a
Cancellation Fee	n/a	n/a	n/a	n/a	n/a	1%

Distribution of NG Outstanding External Debt, per Bilateral Partner (As of February 2022)

Bilateral Development Partner	Outstanding Debt in US\$ millions	Percentage of Total External Debt Owed to Bilateral Development Partners	Percentage of Total External Debt
Japan	6,410.82	76.53%	19.56%
France	1,049.76	12.53%	3.20%
Korea	479.57	5.72%	1.46%
China	166.55	1.98%	0.50%

Distribution of NG Outstanding External Debt, per Source (As of July 2022)

Creditor	Amount (in US\$ millions)	Percent of Total
LOANS	32,839	44.79%
<i>Multilateral</i>	25,011	34.12%
ADB	13,422	18.31%
IBRD	10,367	14.14%
IFAD	113	0.15%
OFID	22	0.03%
IDA	15	0.02%
Others	1,072	1.46%
<i>Bilateral</i>	7,827	10.68%
JICA (OECF)	6,024	8.22%
AFD	846	1.15%
KOREA EXIM	476	0.65%
CHINA EXIM	164	0.22%
BNP Paribas	66	0.09%
PL480	77	0.10%
Bank Austria	44	0.06%
Others	130	0.18%
<i>Commercial</i>	1	0.00%
DEBT SECURITIES	40,473	55.21%
TOTAL	73,312	100%

Total Revenues from the Comprehensive Tax Reform Program, in PHP billions

Particulars	2018	2019	2020	2021	Total
Excise tax collections with VAT	137.4	192.2	177.5	189.6	696.7
Petroleum products	60.7	112.8	108.1	119.8	401.3
Automobiles	20.6	14.3	6.9	5.4	47.1
SBs	42.6	47.1	40.3	39.3	169.3
Tobacco	9.9	12.2	14.1	15.3	51.5
Others (Coal, mining, and cosmetic procedures)	3.7	5.9	8.1	9.8	27.5
VAT	7.7	8.6	6.0	8.5	30.8
PIT	-111.7	-104.2	-114.1	-77.1	-407.1
Others	35.0	34.1	37.8	50.0	156.8
Corporate Income Tax (PCSO)	1.2	1.5	0.0	0.8	3.6
Financial taxes	5.3	3.5	2.8	3.7	15.2
Estate tax	-2.8	-4.7	-2.6	-5.9	-15.9
Donor's tax	-2.6	-4.9	-2.3	-4.2	-14.1
Documentary stamp tax	33.8	38.6	30.5	46.6	149.5
Fuel marking (excise tax and VAT on excise)	0.0	0.0	9.5	9.0	18.5
SUB-TOTAL: TRAIN 1A	68.4	130.7	107.2	171.0	477.2
Tax amnesty on delinquencies	0.0	2.0	4.8	1.1	7.9
Tax amnesty on estate	0.0	0.8	1.2	3.6	5.6
SUB-TOTAL: TRAIN 1B	0.0	2.9	6.0	4.6	13.5
Tobacco with VAT	0.0	0.0	14.9	28.9	43.8
Alcohol with VAT	0.0	0.0	17.3	25.9	43.1
E-cigarettes with VAT	0.0	0.0	0.2	0.3	0.5
VAT exemption on medicines	0.0	0.0	-0.9	-2.2	-3.0
SUB-TOTAL: TRAIN P2PLUS	0.0	0.0	31.5	52.9	84.4
GRAND TOTAL TRAIN 1A, 1B, and P2+	68.4	133.5	144.6	228.5	575.1
CIT and others	0.0	0.0	0.0	-51.1	-51.1
VAT	0.0	0.0	0.0	0.0	0.0
Percentage tax	0.0	0.0	0.0	-16.9	-16.9
CREATE	0.0	0.0	0.0	-68.0	-68.0
GRAND TOTAL TRAIN 1A, 1B, P2+, and CREATE	68.4	133.5	144.6	160.5	507.1

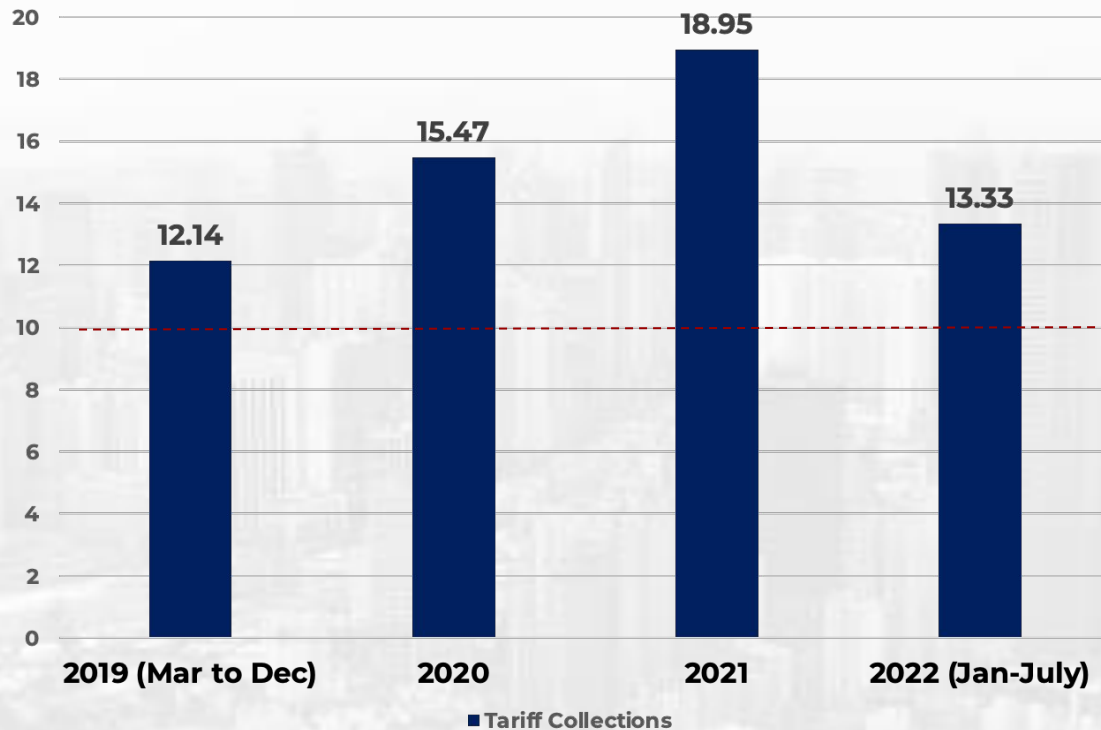
Treasury Borrowing Program (As of July 2022)

Particulars (in million PHP)	Actual	
	2021	Jan-Jul 2022
Financing	<u>2,252,181</u>	<u>1,195,960</u>
External (Net)	<u>331,481</u>	<u>288,067</u>
External (Gross)	568,668	336,477
<i>Less: Amortization</i>	237,187	48,410
Domestic (Net)	<u>1,920,700</u>	<u>907,893</u>
Domestic (Gross)	2,010,554	909,073
<i>Less: Amortization (Net)</i>	89,854	1,180
<i>Amortization</i>	537,450	256,837
<i>o/w serviced by the BSF</i>	447,596	255,657

- Of the P2.21 trillion borrowing program for FY 2022, the NG has raised P1.24 trillion* or 56.11% as of July 2022.
- Of the total amount raised, **72.99% or P909.07 billion were from domestic sources, while the remaining 27.01% or P336.48 billion were foreign borrowings.**

*Gross Borrowings

Tariff Collections from Rice Imports pursuant to the Rice Tariffication Law (As of July 2022, in PHP billions)

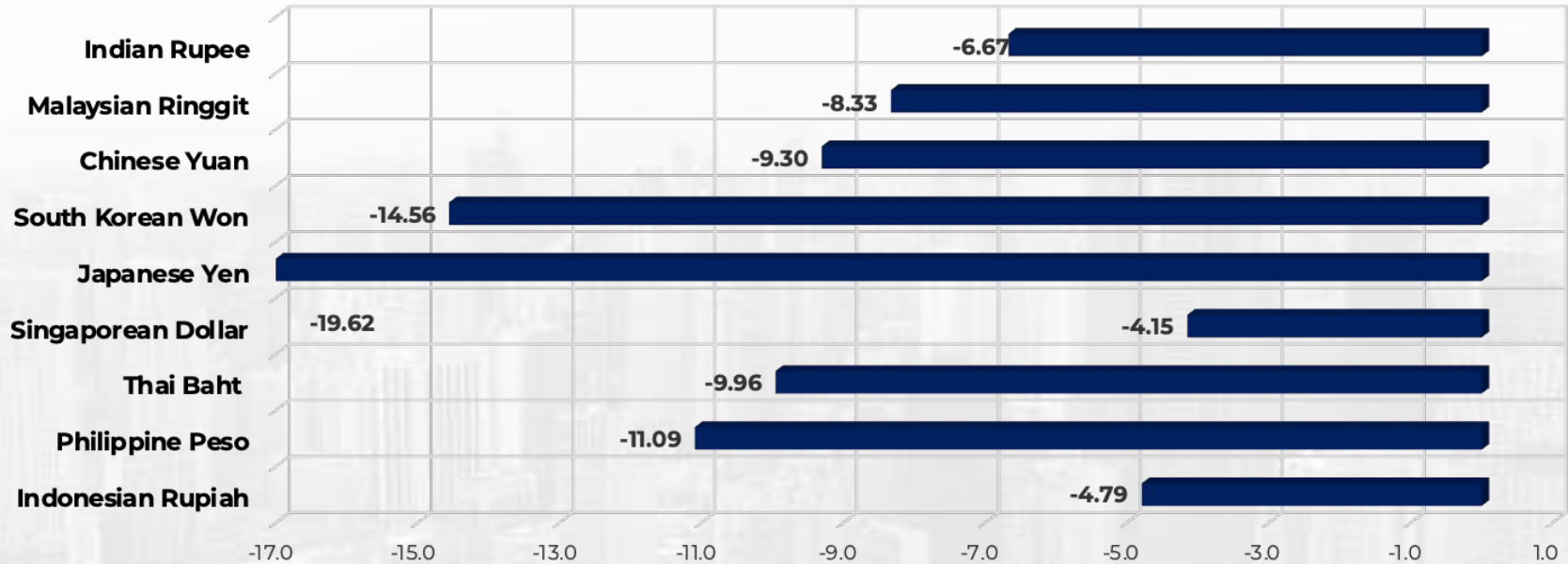


PHP 10 billion earmarked for the Rice Competitiveness Enhancement Fund (RCEF)

Dubai crude oil spot price (in US\$/barrel, January 2021 to 19 September 2022)



Appreciation(+)/Depreciation (-) of Selected Asian Countries (in percent, year to date, as of 19 September 2022)



Note: Based on last done deal transaction (closing price) as of 4:00pm, Manila Time

Amount Available for Appropriations or Operations in FY2021 (by LGU Type and Fund Type, in PHP billions)

LGU Type	General Fund	Special Education Fund	Total	%
Province	57.65	7.83	65.40	23.41%
City	194.48	20.86	113.72	40.70%
Municipality	92.39	8.16	100.29	35.89%
Total	244.52	36.85	279.40	100%

Targeted Cash Transfer (TCT) Program Grants for CCT/4Ps, Social Pension, and Listahan Beneficiaries

Payout Month	Number of Beneficiaries	Amount Disbursed (in PHP billions)
June 2022	2,499,083	2.50
July 2022	3,405,993	3.41
August 2022	2,416,529	2.42
Total		8.32

Revenue Program, by Source, 2021-2025

in PHP millions	2021 Actual	2022 Program	2023 Projections	2024 Projection	2025 Projection
TAX REVENUES	2,742,721	3,139,597	3,464,134	3,887,762	4,395,192
Taxes on Net Income and Profits	1,057,346	1,195,681	1,295,890	1,470,398	1,669,865
Taxes on Property	9,849	14,403	15,218	16,699	18,309
Taxes on Domestic Goods and Services	1,031,963	1,207,992	1,387,439	1,597,423	1,844,051
General Sales, Turnover, or VAT	378,861	429,306	463,336	514,276	572,812
Selected Excises on Goods	317,668	365,197	418,688	474,568	538,232
Selected Taxes on Services	133,941	156,554	190,995	223,494	261,505
Taxes on the Use of Goods or Property or Permission to Perform Activities	251	281	308	339	373
Other Taxes	201,242	256,655	314,112	384,747	471,129
Taxes on International Trade and Transactions	643,563	721,520	765,586	803,241	862,967
NON-TAX REVENUES	262,496	163,989	168,279	174,381	181,152
Fees and Charges	31,690	40,273	48,856	57,439	66,022
Income from Treasury Operations	51,690	27,449	26,342	23,833	21,993
Interest Income on NG Deposits	11,002	1,650	2,000	1,700	1,700
Interest on Advances to GOCCs	1,562	59	58	58	58
Income from Investments	33,644	21,000	19,500	17,000	15,000
Guarantee Fee	1,722	1,700	1,700	1,800	1,800
Foreign Exchange Risk Service Fee	1,315	1,300	1,300	1,400	1,400
Interest Income on Bond Holdings/NPC Bonds	4	-	-	-	-
Government Service Income	2,441	1,740	1,784	1,875	2,035
Fidelity Bond Premia	1,343	1,466	1,601	1,748	1,908
Subscription Fee - RoSS Participants	12	10	10	10	10
Escheat of Unclaimed Balances	92	79	80	81	82
Service Fee on Relent Loans	255	185	93	36	35
Other Miscellaneous Income	739	-	-	-	-
NG Income Collected by the BTr	73,642	31,927	31,952	31,980	32,008
Dividends on Shares of Stocks	58,060	16,000	16,000	16,000	16,000
NG Share from Airport Terminal Fee	57	377	377	377	377
NG Share from PAGCOR Income	15,033	15,033	15,033	15,033	15,003
NG Share from MIAA Profit	492	517	542	570	598
Other Non-Tax Revenues	105,120	64,430	61,129	61,129	61,129
Malampaya Royalties	19,798	24,325	20,234	13,497	8,505
Other Non-Tax Revenues	85,322	40,015	40,895	47,632	52,264
Foreign Grants	354	-	-	-	-
PRIVATIZATION	322	500	500	500	500
TOTAL REVENUES	3,005,539	3,304,086	3,632,913	4,062,643	4,576,844