


AGENCY BUDGET NOTES

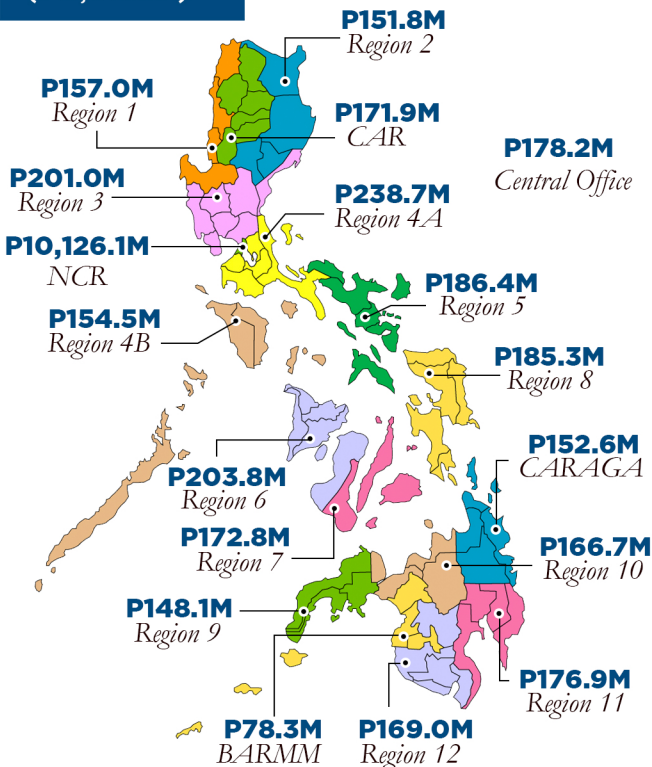
For FY 2023

NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY



P12.74B
TOTAL NEW APPROPRIATIONS FOR 2023

REGIONAL ALLOCATION OF THE 2023 EXPENDITURE PROGRAM (P13,018.9M)



COST STRUCTURE*

P2,249.6M (17.7%) <i>Admin and Support Services</i>
P1,109.9M (8.7%) <i>Support to Operations</i>
P9,381.7M (73.6%) <i>Operations</i>

ALLOCATION BY AGENCY*

OSEC P2,212.0M (17.0%)	PSA P9,866.7M (75.8%)	CPD P542.3M (4.2%)
PPP CENTER P209.2M (1.6%)	TC P92.7M (0.7%)	PSRTI P63.1M (0.5%)
		PNVSCA P32.9M (0.3%)

BREAKDOWN OF OPERATIONS BUDGET*

P5,194.1M (55.4%) <i>National Statistics Development Program</i>
P2,448.9M (26.1%) <i>Civil Registration Program</i>
P668.7M (7.1%) <i>Socio-Economic Policy and Planning Program</i>
P305.3M (3.3%) <i>Philippine Population Management Program</i>
P217.2M (2.3%) <i>National Development Monitoring and Evaluation Program</i>
Others: P547.3M (6.0%)







Values may not add up to total due to rounding off.

*Percentages may not add up to 100% due to rounding off.

QUICK FACTS

KEY SECTOR INFORMATION

Economic Performance of Selected ASEAN Member States

	Real GDP Growth Rate 2021 (in %)	Unemployment Rate 2021 (in %)	Exports Growth Rate 2021 (in %)	Net Foreign Direct Investments 2021 (in Million USD)
 Indonesia	3.7	6.5	41.9	20,948
 Malaysia	3.1	4.7	27.8	18,672
 Philippines	5.7	7.8	14.5	10,518
 Singapore	7.6	2.7	22.3	105,487
 Thailand	1.5	2.0	17.4	12,196
 Vietnam	2.6	3.1	18.9	15,660

Source: Bangko Sentral ng Pilipinas

Gross Regional Domestic Product at Constant 2018 Prices

(In Billions PhP)

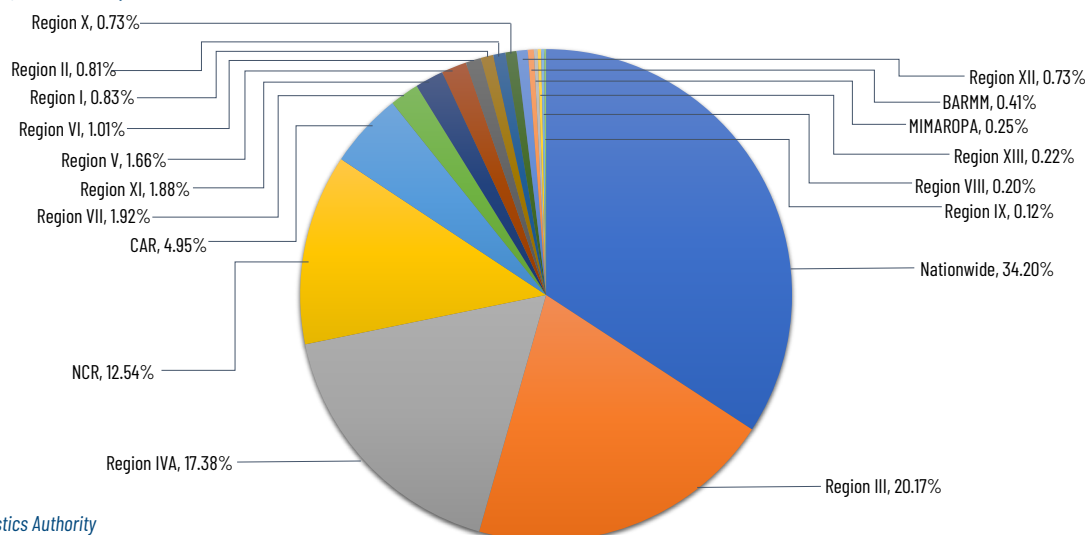
	2019	2020	2021
NCR	6,224.1	5,599.9	5,845.3
CAR	321.7	288.9	310.6
Region I	630.4	581.9	608.6
Region II	411.5	371.1	389.9
Region III	2,183.6	1,881.3	2,020.8
Region IVA	2,831.6	2,534.4	2,728.3
MIMAROPA	386.8	357.8	369.7
Region V	564.9	517.8	540.1
Region VI	913.9	825.4	874.1
Region VII	1,254.1	1,134.9	1,195.8
Region VIII	469.3	434.8	461.0
Region IX	396.9	376.3	397.9
Region X	867.4	821.4	872.9
Region XI	900.9	833.2	882.0
Region XII	470.0	449.2	472.5
CARAGA	306.3	285.0	305.6
BARMM	249.2	244.5	262.9
Philippines	19,382.8	17,537.8	18,538.1

Source: Philippine Statistics Authority - Regional Accounts

The economies of the Philippines' 17 regions have rebounded in 2021 a year after the peak of the Covid-19 pandemic. CALABARZON posted the fastest growth at 7.6% followed by BARMM and CAR with 7.5% each. While the country's GDP grew by 5.7% in 2021, it remained below the pre-pandemic level in 2019.

Total Approved Investments by Region, 2021

(Value in Billions PhP, Share in %)



Source: Philippine Statistics Authority

Note: Investment classified as "Nationwide" are those situated in different parts of the country

HIGHLIGHTS

- ❑ *Expenditure Program.* The total available appropriations of the NEDA and its attached agencies for FY 2023 will be P13.0 billion which is lower by P3.5 billion or by 21.3% from its 2022 budget of P16.5 billion (Table 1). The total available appropriations will be composed of 97.9% in new appropriations amounting to P12.7 billion and 2.1% in automatic appropriations of P277.9 million.
- ❑ *New Appropriations by Cost Structure.* The proposed new appropriations of the NEDA for FY 2023 amounts to P12.7 billion. Of the total new appropriations, two agencies namely – the PSA (76.3%) and the NEDA-OSEC (16.6 %) will corner the bulk of the budget. In terms of cost structure, the budget for operations will account for 73.6% of the NEDA’s proposed new appropriations, followed by the General Administration and Support (GAS) at 17.7% and Support to Operations (STO) at 8.7%.
- ❑ *Allocation by Major Programs.* For FY 2023, two programs of the PSA will corner the biggest shares of the total budget for operations by program of the NEDA and its attached agencies – the *National Statistics Development Program* (55.4 % or P5.2 billion) and the *Civil Registration Program* (26.1% or P2.4 billion) (Table 7). Under the Civil Registration Program of the PSA is the Philippine Identification System (R.A. 11055) with a budget of P2.1 billion in FY 2023. The ID system aims to establish a single national identification system for all citizens and resident aliens of the Philippines. The program also includes the conduct of censuses and surveys and the processing and issuance of civil registry records and/or documents. The third program which also accounts for a large share of the NEDA’s operations budget at 7.1% is the *Socio-Economic Policy and Planning Program* of the OSEC. On the other hand, the Tariff Commission’s budget for the *Trade Remedy Measures Program* will continue to receive the lowest share of the budget for operations at 0.1% in 2023.
- ❑ *Budget Utilization and Unused Appropriations.* For 2021, the Socio-Economic Policy and Planning program of the OSEC and the Statistical Policy and Coordination Program of PSA recorded high utilization rates of 92.0% and 83.9%, respectively (Table 10). In the case of PSA, its lowest utilization rate was recorded in the Civil Registration Program at 33%. Based on the FAR-1 report submitted by the agency to the DBM, only P2.8 billion was obligated in 2021, which could be attributed to the BSP’s oversight to deliver the required number of identification cards that caused a ripple effect that delayed the progress of the Philippine Identification System project, according to a report of COA.
- ❑ *COA findings and Recommendations.* As of December 31, 2020, records show that of the 265 total COA recommendations, 147 were implemented while 118 were not yet implemented by NEDA and its attached agencies (Table 13). It can be observed that, both the CPD and TC recorded high percentage of unimplemented COA recommendations compared to their implemented ones. These said agencies have two common issues namely – accounting deficiencies and compliance issues. According to COA, accounting deficiencies relate to dormant, unliquidated, and unsettled accounts, undisposed unserviceable properties, and unreconciled balances among others.

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NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY*

I. MANDATE AND ORGANIZATIONAL OUTCOMES

1.1 The National Economic and Development Authority (NEDA) is mandated under Executive Order No. 230 to perform the following functions:

- Coordinate the National and Regional Development Plans and Programs by issuing planning guidelines and conducting multi-sectoral/regional consultations;
- Evaluate program public investment by coordinating Official Development Assistance (ODA) and appraising programs and projects;
- Monitor development plans, programs, and projects by conducting program/project evaluation and on-site reviews and consultations; and
- Provide technical assistance to the NEDA Board and its Committees, Regional Development Councils, Philippine Council for Sustainable Development, National Land Use Committee, interagency bodies, and other clients, including Local Government Units.

1.2 NEDA's Attached Agencies are as follows:

- Philippine National Volunteer Services Coordinating Agency (PNVSCA)- Promotes and coordinates volunteer programs and services in the country to maximize the benefits that may be derived from volunteer assistance and properly gauge the contributions of volunteers to national development and international cooperation.
- Public-Private Partnership Center of the Philippines (PPP Center) - Provides technical assistance to government agencies, local government units and the private sector in developing critical public-private partnership projects.
- Philippine Statistical Research and Training Institute (PSRTI) - Develops comprehensive and integrated research and training programs on the theories, concepts and methodologies for the promotion of the statistical system.
- Tariff Commission (TC) – Serves as the principal authority on tariffs and trade remedy measures. It investigates and recommends/decides on petitions for tariff modification and tariff classification. It is an independent adjudicatory body on trade remedy cases.
- Philippine Statistics Authority (PSA) - Conducts national censuses and surveys; gathers and publishes sector statistics; consolidates selected administrative recording systems, and compiles national accounts.

* This document was prepared by Dawndale Albert O. Tanielon as input to the deliberations of the House Committee on Appropriations on the FY 2023 proposed National Budget. The report benefitted from the inputs of Director Elsie C. Gutierrez and Executive Director Manuel P. Aquino, with the overall guidance of CPBRD Director General Romulo E.M. Miral, Jr. PhD and the assistance of the Publication Team. The views, perspectives, and interpretations in this ABN do not necessarily reflect the positions of the House of Representatives as an institution or its individual Members. A copy of this publication is available at the CPBRD's website: cpbrd.congress.gov.ph.

- Commission on Population Development (CPD, formerly POPCOM) – Formulates and adopts coherent, integrated, and comprehensive long-term plans, programs, and recommendations on population and family planning as it relates to economic and social development.

II. SOURCES OF APPROPRIATIONS

2.1 *Expenditure Program.* The total available appropriations of the NEDA and its attached agencies for FY 2023 will be P13.0 billion which is lower by P3.5 billion or by 21.3% from its 2022 budget of P16.5 billion (Table 1). The total available appropriations will be composed of 97.9% in new appropriations of P12.7 billion and 2.1% in automatic appropriations of P277.9 million.

TABLE I
SOURCES OF FUNDS, 2021-2023
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

Particulars	Amounts (In Million Pesos)			Share to Total Appropriations		
	2021	2022	2023	2021	2022	2023
New Appropriations	11,175.1	13,616.0	12,741.1	63.9	82.3	97.9
Supplemental Appropriations	-	-	-	-	-	-
Automatic Appropriations	285.6	251.1	277.9	1.6	1.5	2.1
Continuing Appropriations	3,308.4	2,675.5	-	18.9	16.2	-
Budgetary Adjustments	2720.5	-	-	15.6	-	-
Total Available Appropriations	17,489.5	16,542.6	13,018.9	100.0	100.0	100.0
LESS: Unused Appropriations	(3,625.3)	(2,675.5)	-	(15.7)	(16.2)	-
Total Obligations	13,924.3	13,867.1	13,018.9	84.3	83.8	100.0

Source of basic data: National Expenditure Program 2023
Note: Totals may not add up due to rounding off.

III. EXPENDITURE PROGRAM

TABLE 2
EXPENDITURE PROGRAM BY AGENCY, 2021-2023

Agency	Amounts (In Million Pesos)			Share to Total (%)		
	2021	2022	2023	2021	2022	2023
Office of the Secretary (OSEC)	1,520.2	1,802.2	2,212.0	10.9	13.0	17.0
Commission on Population and Development (CPD)	524.1	537.3	542.3	3.8	3.9	4.2
Philippine National Volunteer Service Coordinating Agency (PNVSCA)	32.5	36.4	32.9	0.2	0.3	0.3
Public-Private Partnership Center of the Philippines (PPP Center)	205.3	217.7	209.2	1.5	1.6	1.6
Philippine Statistical Research and Training Institute (formerly Statistical Research and Training Center) (PSRTI)	64.4	67.8	63.1	0.5	0.5	0.5
Tariff Commission (TC)	90.1	103.2	92.7	0.6	0.7	0.7
Philippine Statistics Authority (PSA)	11,487.6	11,102.6	9,866.7	82.5	80.1	75.8
TOTAL	13,924.3	13,867.1	13,018.9	100.0	100.0	100.0

Source of basic data: Budget of Expenditures and Sources of Financing (BESF) 2023
Note: Totals may not add up due to rounding off.

3.1 Table 2 presents the proposed total expenditure program of the NEDA and its attached agencies which will be lower by P848.2 million or by 6.1% from P13.9 billion in 2022 to P13.0 billion in 2023. The bulk or 75.8% of the expenditure budget will go to Philippine Statistics Authority with P9.9 billion. The NEDA-OSEC and the CPD will have the second and third largest shares of 17% and 4.2%, respectively. On the other hand, the agencies with the smallest share of the budget include the PPP Center (1.6%), PNVSCA (0.3%), PSRTI (0.5%), and the TC (0.7%).

Note that the PSA’s budget has been decreasing since 2021. Its budget of P9.8 billion in 2023 is lower by 11.1% (equal to P1.2 billion) compared with its 2022 budget of P11.1 billion. The other agencies whose budgets will contract in 2023 are as follows: PNVSCA (-9.6%), PPP Center (-3.9%), PSRTI (-6.9%), and the TC (-10.2%). On the other hand, the NEDA-OSEC will see its budget increase significantly by 22.7% in 2023.

3.2 Maintenance and other operating expenditures (MOOE) will get 64.4% or P8.4 billion of the NEDA’s expenditure program in 2023 (Table 3). Personal Services (PS) will get P3.33 billion (25.6%) while Capital Outlay (CO) will have P1.3 billion (10%). While the PS allotment in 2023 will increase by 12%, those for MOOE and CO will decrease by 8.4% and 25%, respectively.

TABLE 3
EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2021-2023
(AMOUNTS IN MILLION PESOS)

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2021	2022	2023	2021	2022	2023
PS	3,239.3	2,977.0	3,333.9	23.3	21.5	25.6
MOOE	9,727.2	9,149.0	8,378.7	69.9	66.0	64.4
CO	957.8	1,741.1	1,306.4	6.9	12.6	10.0
Fin Ex	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	13,924.3	13,867.1	13,018.9	100.0	100.0	100.0

Source of basic data: BESF 2023

Note: Totals may not add up due to rounding off.

3.3 *Unfilled Positions.* It has been observed that the total unfilled positions of NEDA and its attached agencies has been increasing from just 801 in 2020 to 1,155 in 2022. The main contributor is the PSA which in 2022 reported 797 unfilled positions or 69% of total, followed by the OSEC and the CPD with 256 and 51 unfilled positions, respectively. Ironically, however, authorized plantilla positions have been generally increasing by an annual average of 1.9% from 2020 to 2023. It is projected that unfilled positions to total authorized positions in 2023 will be 16.3%, and 64% of the total unfilled positions is due to the PSA. Given the importance of the staff complement in carrying out the activities of the NEDA and its attached agencies, the pervasiveness of a substantial number of unfilled positions deserves the review of potential inefficiencies in hiring, recruitment, and promotion processes of the Department and/or the rationalization of redundant positions.

TABLE 4
NUMBER OF AUTHORIZED AND UNFILLED POSITIONS BY AGENCY, 2020-2023

Agency	Authorized Positions				Unfilled Positions			
	2020	2021	2022	2023	2020	2021	2022	2023
OSEC	1,336	1,341	1,396	1,412	176	199	256	197
CPD	451	342	353	353	141	40	51	44
PNVSCA	30	30	30	30	3	12	6	1
PPP Center	116	128	128	143	9	17	9	23
PSRTI	45	45	45	56	9	5	4	11
TC	111	111	111	111	32	29	32	34
PSA	2,801	2,844	3,141	3,181	431	585	797	552
TOTAL	4,890	4,841	5,204	5,286	801	887	1,155	862

Source: Staffing Summary 2022-2023

TABLE 5
REGIONAL DISTRIBUTION OF THE (DEPT) BUDGET, 2021-2023
(AMOUNTS IN MILLION PESOS)

Region	2021 Actual		2022 Program		2023 Proposed	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Nationwide	-	-	-	-	0.0	-
Central Office	-	-	10,721.2	77.3	178.2	1.4
NCR	11,410.5	81.9	611.1	4.4	10,126.1	77.8
CAR	158.3	1.1	157.3	1.1	171.9	1.3
Region 1	144.9	1.0	149.8	1.1	157.0	1.2
Region 2	149.5	1.1	151.1	1.1	151.8	1.2
Region 3	191.7	1.4	191.4	1.4	201.0	1.5
Region 4A	198.3	1.4	203.3	1.5	238.7	1.8
Region 4B	142.7	1.0	140.4	1.0	154.5	1.2
Region 5	169.7	1.2	176.3	1.3	186.4	1.4
Region 6	191.0	1.4	185.8	1.3	203.8	1.6
Region 7	160.0	1.1	162.1	1.2	172.8	1.3
Region 8	175.2	1.3	177.3	1.3	185.3	1.4
Region 9	141.8	1.0	137.1	1.0	148.1	1.1
Region 10	151.3	1.1	154.0	1.1	166.7	1.3
Region 11	162.8	1.2	157.3	1.1	176.9	1.4
Region 12	155.0	1.1	166.7	1.2	169.0	1.3
CARAGA	146.1	1.0	147.2	1.1	152.6	1.2
BARMM	75.4	0.5	77.9	0.6	78.3	0.6
TOTAL	13,924.3	100.0	13,867.1	100.0	13,018.9	100.0

Source of basic data: BESF 2023

Note: According to DBM, Central Office is also referred to as NCR in the NEP.

3.4 *Regional Distribution.* The NEDA NCR will receive the biggest budget among the regions with P10.12 billion or 77.8% of the total budget followed by Region 4A with P238.7 million and Region 6 with P203.8 million, while most of the rest of the regions will each get a budget of less than P200 million anew in 2023 (Table 5). The share of the NCR is expected to increase from 4.4% to 77.8% or by P9.5 billion in its proposed 2023 budget relative to 2022. Note also that only the NEDA, PSA and CPD have regional offices.

IV. NEW APPROPRIATIONS

4.1 The proposed new appropriations of the NEDA for FY 2023 amounts to P12.7 billion. Of the total new appropriations, two agencies namely – the PSA (76.3%) and the NEDA-OSEC (16.6 %) will corner the bulk of the budget. In terms of cost structure, the budget for operations will account for 73.6% of the NEDA’s proposed new

appropriations, followed by the General Administration and Support (GAS) at 17.7% and Support to Operations (STO) at 8.7%.

4.2 **General Administration and Support (GAS).** GAS consists of the activities and projects dealing with the provision of overall administrative management and operational support to the entire agency operations. Among NEDA and its attached agencies, the OSEC will get the largest budget amounting to P955.5 million, followed by the PSA (P895.9 million) while the PNVSCA will get the least share at P16.3 billion. The GAS makes up 17.7% of the total new appropriations.

4.3 **Support to Operations (STO).** The total STO budget for NEDA and its attached agencies will amount to P1.10 billion for FY 2023 or 8.7% of the total new appropriations. Of the total amount, only three attached agencies will share the budget, namely the PSA (P991.3 million), OSEC (P114.5 million), and TC (P4.1 million). STO is a cost component of an agency budget which consists of activities and projects that provide staff, technical, and/or substantial support to operations, but do not produce goods or deliver services directed at a target population or client group external to the agency. This also includes expenditures that are indivisible across programs.

**TABLE 6
NEW APPROPRIATIONS BY AGENCY AND COST STRUCTURE, FY 2023**

Agency	Amounts (In Million Pesos)				Share to Total Agency (%)			
	GAS	STO	Operations	Total Agency	GAS	STO	Operations	Total Agency
OSEC	955.5	114.5	1,052.0	2,121.9	45.0	5.4	49.6	100.0
CPD	219.8	0.0	305.3	525.1	41.9	0.0	58.1	100.0
PNVSCA	16.3	0.0	14.9	31.2	52.2	0.0	47.8	100.0
PPP Center	95.1	0.0	102.9	198.0	48.0	0.0	52.0	100.0
PSRTI	23.4	0.0	31.1	54.5	42.9	0.0	57.1	100.0
TC	43.7	4.1	36.8	84.6	51.7	4.9	43.5	100.0
PSA	895.9	991.3	7,838.7	9,725.8	9.2	10.2	80.6	100.0
TOTAL	2,249.6	1,109.9	9,381.7	12,741.1	17.7	8.7	73.6	100.0

Source of basic data: NEP 2023

4.4 **Operations.** This consists of programs and corresponding expenditures that relate to the main purpose for which an agency has been created. It involves the direct production of goods or delivery of services or direct engagement in regulations. For FY 2023, the total operations budget of the NEDA and its attached agencies will amount to P9.38 billion. Of the total operations budget, the PSA will have the biggest share of 83.5% (P7.83 billion) followed by the OSEC with 11.2% (P1.05 billion).

4.5 **Programs.** Programs are groups of activities and projects that contribute to a common particular outcome. A program should have the following features: 1) unique expected results or outcomes; 2) a clear target population or client group external to the agency; 3) a defined method of intervention to achieve the desired result; and 4) a clear management structure that defines accountabilities.

For FY 2023, two programs of the PSA will corner the biggest shares of the total budget for operations by program of the NEDA and its attached agencies – the *National Statistics*

Development Program (55.4 % or P5.2 billion) and the *Civil Registration Program* (26.1% or P2.4 billion) (Table 7). Under the Civil Registration Program of the PSA is the Philippine Identification System (R.A. 11055) with a budget of P2.1 billion in FY 2023 lower by 58% compared to its FY 2022 budget of P4.9 billion. As of 29 July 2022, 77.2% of the 92 million target for registration has been achieved with 14.5 million physical IDs already delivered and 15.7 million dispatched.¹ The PSA intends to deliver virtual IDs as an alternative to physical IDs to fast track delivery and reduce costs. The ID system aims to establish a single national identification system for all citizens and resident aliens of the Philippines. The program also includes the conduct of censuses and surveys and the processing and issuance of civil registry records and/or documents. The third program which also accounts for a large share of the NEDA's operations budget at 7.1% is the *Socio-Economic Policy and Planning Program* of the OSEC. On the other hand, the Tariff Commission's budget for the *Trade Remedy Measures Program* will continue to receive the lowest share of the budget for operations at 0.1% in 2023.

TABLE 7
SUMMARY OF PROGRAMS FOR 2021-2023
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

Program (Implementing Agency)	Amount (In Million Pesos)			% Share to Total Program			Growth Rates '22-'23 (%)
	2021	2022	2023	2021	2022	2023	
National Statistics Development Program (PSA)	2,431.4	3,610.7	5,194.1	27.6	34.6	55.4	43.9
Civil Registration Program (PSA)	4,675.2	5,209.9	2,448.9	53.0	50.0	26.1	(53.0)
Socio-Economic Policy and Planning Program (OSEC)	698.7	542.4	668.7	7.9	5.2	7.1	23.3
Philippine Population Management Program (CPD)	311.2	315.8	305.3	3.5	3.0	3.3	(3.3)
National Development Monitoring and Evaluation Program (OSEC)	216.5	218.6	217.2	2.5	2.1	2.3	(0.7)
Statistical Policy and Coordination Program (PSA)	149.5	157.3	195.6	1.7	1.5	2.1	24.3
National Investment Programming Program (OSEC)	169.7	171.1	166.1	1.9	1.6	1.8	(2.9)
Public-Private Partnership Management Program (PPP Center)	95.5	108.7	102.9	1.1	1.0	1.1	(5.3)
Tariff Administration Program (TC)	18.0	19.2	22.1	0.2	0.2	0.2	15.3
Philippine Statistical System Capacity Development Program (PSRTI)	14.6	23.2	16.2	0.2	0.2	0.2	(30.2)
National Volunteer Service Program (PNVSCA)	12.9	15.4	14.9	0.1	0.1	0.2	(3.1)
Statistical Research Program (PSRTI)	14.3	14.5	14.9	0.2	0.1	0.2	2.8
International Trade and Tariff Negotiations Program (TC)	10.8	10.0	8.8	0.1	0.1	0.1	(11.9)
Trade Remedy Measures Program (TC)	4.7	4.4	5.8	0.1	0.0	0.1	34.4
TOTAL	8,822.9	10,421.0	9,381.7	100.0	100.0	100.0	(10.0)

Note: Allocations for programs and total operations are inclusive of locally-funded and foreign-assisted projects.

Source: GAA 2021-2022 and NEP 2023

V. PERFORMANCE REVIEW

5.1 ***Obligations-Appropriations Ratio (OAR)***. Table 8 shows the budget utilization performance of the NEDA and its attached agencies as indicated by its obligations to appropriations ratio for the period 2019-2021. The total obligations to appropriations

¹ <https://www.philsys.gov.ph/>

ratio of NEDA in 2021 has improved to 83.8% compared with 78.3% in 2020. However, this does not imply that the agency has efficiently utilized its budget as the NEDA as a whole has not even reached an average OAR of 90%. Among agencies, the CPD recorded the highest ratio at 98.1% in 2021, followed by the PNVSCA (91.7%) and PSRTI (90.8%). The lowest obligations to appropriations ratio recorded is that of the PPP Center with only 77.1% in 2021.

TABLE 8
OBLIGATIONS-APPROPRIATIONS RATIO
AND UNUSED APPROPRIATIONS, 2019-2021

Agency	Obligation-Appropriations Ratio (%)			Unused Appropriations (In Million Pesos)		
	2019	2020	2021	2019	2020	2021
OSEC	96.3	96.6	80.5	73.0	48.8	367.2
CPD	-	97.5	98.1	-	13.3	10.2
PNVSCA	87.5	79.7	91.7	4.9	6.9	2.9
PPP Center	95.1	64.6	77.1	10.6	99.5	61.0
PSRTI	91.1	83.8	90.8	5.0	10.2	6.5
TC	96.2	93.6	89.5	3.5	5.6	10.5
PSA	71.7	75.7	78.4	2,569.5	3,316.5	3,166.8
TOTAL	76.7	78.3	83.8	2,666.5	3,500.8	3,625.3

Sources of basic data: NEP 2021-2023

5.2 *Unused Appropriations.* The total unused appropriations of the NEDA and its attached agencies in 2021 increased by 3.5% to P3.62 billion compared with the unused budget of P3.50 billion recorded in 2020. Note that the PSA continued to incur the highest unused appropriations among the agencies from 2019 to 2021, with the highest recorded in 2020 amounting to P3.3 billion (Table 8).

TABLE 9
DISBURSEMENT RATE BY AGENCY, 2020-2021
(AMOUNTS IN MILLION PESOS)

Agency	2020			2021		
	Appropriations	Disbursements	Disbursement Rate (%)	Appropriations	Disbursements	Disbursement Rate (%) a/
OSEC	1,807.5	1,234.2	68.3	1,751.3	1,404.5	80.2
CPD	500.3	477.1	95.4	509.8	498.4	97.8
PNVSCA	35.5	26.3	74.1	32.1	32.5	101.2
PPP Center	199.4	175.7	88.1	213.9	202.6	94.7
PSRTI	61.4	41.3	67.2	69.2	52.6	76.1
TC	82.1	81.0	98.6	95.7	87.0	90.9
PSA	11,534.8	7,716.0	66.9	10,871.9	7,164.4	65.9
TOTAL	14,221.0	9,751.7	68.6	13,543.8	9,442.1	69.7

a/ Disbursement rate – ratio of disbursements to appropriations

Source: SAAODB 2020-2021, DBM

Totals may not add up due to rounding off.

5.3 *Disbursement Rate.* The disbursement rate pertains to the ratio of disbursements to total appropriations. The total disbursement rate of the NEDA and its attached agencies improved to 69.7% in 2021 from 68.6% in 2020. However, in the case of PNVSCA, the accuracy of the disbursement rates cannot be verified as the COA Annual Audit report in 2021 noted that the COA itself does not recognize the disbursements and the

remaining balances due to the unliquidated fund transfers to various National Economic Development Authority (NEDA) Regional Officers (NROs) and the Bangsamoro Planning and Development Authority – Bangsamoro Autonomous Region in Muslim Mindanao (BPDA-BARMM) for the CY 2020 Search for Outstanding Volunteers. Also, disbursements in a year may include payables related to prior years' obligations. Thus, the disbursement rate can exceed 100%. For this reason, the indicator should be interpreted with caution.

- 5.4 **Budget Utilization by Major Programs.** For 2021, the Socio-Economic Policy and Planning program of the OSEC and the Statistical Policy and Coordination Program of PSA recorded high disbursement rates of 92.0% and 83.9%, respectively (Table 10). In the case of the PSA, its lowest disbursement rate was recorded in the Civil Registration Program at 33%. Based on the FAR-1 report submitted by the agency to the DBM, only P2.8 billion was obligated in 2021, which could be attributed to the BSP's oversight to deliver the required number of identification cards that caused a ripple effect that delayed the progress of the Philippine Identification System project, according to a report by COA. To address this problem, the PSA targets to deliver 20 million virtual IDs as well as 30 million physical IDs by end of 2022. The BSP and PSA is coordinating to increase the production of the National IDs from the present 80,000 a day to 133,000 daily to achieve the issuance of about 92 million IDs by mid-2023.²

TABLE 10
BUDGET UTILIZATION BY MAJOR PROGRAM, 2021
(AMOUNTS IN MILLION PESOS)

Program	Appropriations	Obligations	Disbursements	Obligation Rate (%) ^{a/}	Disbursement Rate (%) ^{b/}
Socio-Economic Policy and Planning Program (OSEC)	185.0	173.7	170.2	93.9	92.0
National Development Monitoring and Evaluation Program (OSEC)	214.0	171.5	163.1	80.2	76.2
National Statistics Development Program (PSA)	1,658.3	1,298.3	1,257.8	78.3	75.9
Civil Registration Program (PSA)	6,333.2	4,752.1	2,088.2	75.0	33.0
Statistical Policy and Coordination Program (PSA)	153.5	137.9	128.8	89.8	83.9

a/ Obligation rate – ratio of obligations to appropriations

b/ Disbursement rate – ratio of disbursements to appropriations

Source: SAAODB 2021 (FAR No. 1 in Transparency Seal)

- 5.5 **Performance Indicators of Major Programs.** To ensure that the budget for the agency's major programs are efficiently utilized, strict monitoring and evaluation is critical. Table 11 presents the NEDA-OSEC's performance under two programs namely – the Socio-Economic Policy and Planning Program and the National Development Monitoring and Evaluation Program. By looking at the OSEC's actual targets in 2021, 14 out of 20 performance targets were met and even exceeded the average given. However, six (6) targets were barely achieved or were not achieved. Based on the records submitted by the agency to the DBM, some reports for socio-economic assessments were not prepared or given within schedule. On the other hand, Table 12 also shows that 12 out

² <https://psa.gov.ph/content/psa-issue-50-million-philids-2022-launch-digital-philids>

of 15 outcome and output indicators of the three major programs of the PSA reached their targets and only three (3) targets were barely achieved.

TABLE II
PERFORMANCE INDICATORS OF MAJOR PROGRAMS,
NEDA- OFFICE OF THE SECRETARY, 2021-2023

Program	2021		2022 Target	2023 Target
	Target	Actual		
Socio-Economic Policy and Planning Program				
Outcome Indicators				
Percentage of policy recommendations adopted	87% average	90.87% (846 of 931)	At least 88%	At least 88%
Percentage of agenda items related to the plans for NEDA Board Committees where NEDA is the Secretariat	93% average	93.8% (454 of 484)	At least 93%	At least 94%
Average client satisfaction rating of members of the following with the secretariat services provided				
a. NEDA Board	At least 4/5 or 80%	N/A	At least 4/5 or 80% (Very Satisfactory average rating)	At least 4/5 or 80% (Very Satisfactory average rating)
b. Social Development Committee	At least 3.75/5 or 75%	4.53 or 90.6% (outstanding) average rating	At least 3.75/5 or 75% (Very Satisfactory) average rating	At least 4/5 or 85% (Very Satisfactory) average rating
c. Committee on Tariff and related matters	At least 2.5/5 or 50%	4.49 or 89.8% (Very Satisfactory) average rating	At least 2.5/5 or 50% (Satisfactory) average rating	At least 2.5/5 or 50% (Satisfactory) average rating
d. National Land Use Committee (NLUC)	At least 4/5 or 80%	4/5 or 80% (Very Satisfactory) average rating	At least 4/5 or 80% (Very Satisfactory) average rating	At least 4/5 or 80% (Very Satisfactory) average rating
e. Regional Development Committee (RDCom)	At least 3.85/5 or 76%	4.46 or 89.2% (Very Satisfactory) average rating	At least 3.85/5 or 76% (Very Satisfactory) average rating	At least 4/5 or 80% (Very Satisfactory) average rating
f. Other Inter-agency Committees	At least 4.35/5 or 87%	4.56 or 91.2% (Outstanding) average rating	At least 4.35/5 or 87% (Very Satisfactory) average rating	At least 4.35/5 or 87% (Very Satisfactory) average rating
g. Regional Development Councils	At least 3.85/5 or 76%	4.46 or 89.2% (Very Satisfactory) average rating	At least 3.85/5 or 76% (Very Satisfactory) average rating	At least 4/5 or 80% (Very Satisfactory) average rating
Output Indicators				
Percentage of requests for policy recommendations on socio-economic & development matters prepared or reviewed within required date/time of completion	97% average	92.95% (1,094 of 1,177) at least 97%	At least 97%	At least 97%
Number of plans prepared/updated and submitted with the schedule to NEDA board, Rdcom, NLUC, RDCs, and/or Secretary of Socioeconomic Planning respectively, for approval.	8 total	8 total	15 total	25 total
Number of economic reports prepared on or before the release of official statistics for each reference period	44 total	44 Total	52 total	52 Total
National Development Monitoring and Evaluation Program				
Outcome Indicators				
Adoption of Socio-Economic Report (SER) as basis for Budget Priorities Framework	SER adopted in the BPF	SER adopted in parts III and IV of the BPF	SER adopted in the BPF	PDP 2023-2028 adopted for the BPF
Percentage of requests for monitoring evaluation (M&E) information for policy and decision-making made readily available to policy-makers and various stakeholders within prescribed period.	100% of data requests provided per quarter	97.84% (136 of 139)	At least 100%	At least 96%
Percentage of agencies with problematic projects alerted/assisted to hasten or put project implementation back on track and/or to address implementation	100% of agencies with problematic projects per quarter	100% (286 of 286)	At least 100%	At least 100%

Source: NEP 2023

TABLE II. CONTINUED
PERFORMANCE INDICATORS OF MAJOR PROGRAMS,
NEDA- OFFICE OF THE SECRETARY, 2021-2023

Program	2021		2022 Target	2023 Target
	Target	Actual		
Output Indicators				
Number of socioeconomic assessment reports prepared and released within schedule	15 total	9 total	16 total	15 total
a. Socio-Economic Report (SER)	1 SER	-	1 SER	1 SER
b. Regional Development Report (RDR)	14 RDRs	9 RDRs	15 RDRs	15 RDRs
One annual report on the performance of Official Development Assistance (ODA) portfolio prepared and submitted to Congress on or before June 30 annually	1	1	1	1
Percentage of programs/projects re-evaluated within the target deadline	At least 90%	96.6% (29 of 30)	At least 90%	At least 90%

Source: NEP 2023

TABLE 12.
PERFORMANCE INDICATORS OF MAJOR PROGRAMS,
NEDA- PHILIPPINE STATISTICS AUTHORITY, 2021-2023

Program	2021		2022 Target	2023 Target
	Target	Actual		
National Statistics Development Program (PSA)				
Outcome Indicators				
Number of website visits and percentage of favorable feedback	9 Million / 95%	9 Million / 95%	9 Million / 95%	40 million / 95%
Output Indicators				
Number of surveys and censuses conducted and percentage completed within target timeline	38/80%	38/80%	38/80%	38/80%
Percentage of statistical products disseminated within the Advance Release Calendar or prescribed period	100%	100%	100%	100%
Number of data dissemination and fora conducted	41	7	41	52
Civil Registration Program				
Outcome Indicators				
Percentage of civil registry documents which can be accessed by public through an online system	90%	90%	90%	95%
Satisfaction rating by the public of the Civil Registration Services (CRS)	85%	77%	85%	85%
Output Indicators				
Number of servicing outlets maintained	40	40	40	45
Number of Local Civil Registrars (LCRs) who are trained on laws, regulations and system on civil registration	125	100	125	650
Percentage of civil registry applications issued/completed within prescribed time frame	92%	92%	92%	98%
Statistical Policy and Coordination Program (PSA)				
Outcome Indicators				
Percentage of LGUs adopting statistical standards and classification systems	25%	25%	25%	-
Percentage of NGAs adopting statistical standards and classification systems	25%	25%	25%	-
Output Indicators				
Percentage of agencies with designated statistics which submitted budget proposals for review and endorsement to the DBM	60%	60%	60%	-
Number of new and updated statistical and classification systems	2	2	2	4
Number of statistical advocacy activities conducted	4	4	4	4
Number of participants from LGUs and national government agencies provided with training on statistical classification systems	24	163	60	24

Source: NEP 2023

VI. COA FINDINGS AND RECOMMENDATIONS

- 6.1 As of December 31, 2020, records show that of the 265 total COA recommendations, 147 were implemented while 118 were not yet implemented by NEDA and its attached agencies (Table 13). It can be observed that both the CPD and TC recorded high percentage of unimplemented COA recommendations compared to their implemented ones. These said agencies have two common issues namely – accounting deficiencies and compliance issues. According to COA, accounting deficiencies relate to dormant, unliquidated, and unsettled accounts, undisposed unserviceable properties, and unreconciled balances among others.

TABLE 13
STATUS OF IMPLEMENTATION OF COA RECOMMENDATIONS
(AS OF 31 DECEMBER 2021)

Agency	Total	Fully Implemented		Not Implemented	
		Number	(%)	Number	(%)
OSEC	52	28	53.8	24	46.2
CPD	53	23	43.4	30	56.6
PNVSCA	9	9	100.0	-	-
PPP Center	9	9	100.0	-	-
PSRTI	52	36	69.2	16	30.8
TC	9	4	44.4	5	55.6
PSA	81	38	46.9	43	53.1

Source: Annual Audit Reports 2021 (Part 3)

- 6.2 Interestingly, NEDA and its attached agencies did not receive funds (CY 2021) specifically for COVID-19 response but had utilized its budget for related expenses. COVID-19 related expenses of said agencies were charged to their PS and MOOE, respectively. These compliance issues involve the grant of hazard pays (HP) to agency personnel who reported to work during the Enhanced Community Quarantine (ECQ) and Modified Enhanced Community Quarantine (MECQ) of the country and transportation facilities to employees on skeleton workforce and gender and development activities.

#

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