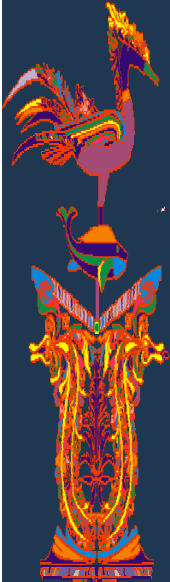




Expert Workshop on the Role of Parliament in National Security Policy and Defence Budgeting in ASEAN Member States



“Role of Parliament in Defence Budgeting: The Case of the Philippines”

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Faculty of Sociology, MSU-GSC



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Phuket, Thailand

Structure



The Philippine Government

The Executive



34 Line Agencies

Dept. of National Defence (AFP, GA, PVAO, NDCP, OCD)

The Legislative



Committees

58 Standing

12 Special

Committee on Appropriations

125 members



Committees

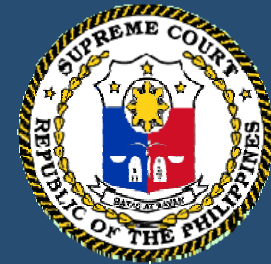
36 Permanent

32 AdHoc/Oversight

Finance Committee

17 members

The Judiciary



Defence Budgeting

B u d g e t P r e p a r a t i o n

1

Development Budget Coordinating Committee

(DBCC) composed of heads of the Department of Budget and Management (DBM), National Economic development Authority (NEDA), Department of Finance (DF), Bangko Sentral ng Pilipinas (BSP) and the Executive Secretary

2

National Budget Call to all Government Agencies Sounded by the Department of Budget and Management (DBM)

3

Budget Review by the DBM Task Force

4

DBM Executive Review of the Proposed Budget Chaired by the DBM Secretary

5

DBM Presentation to the President and the Cabinet

Legal Framework of Defence Budget

Sources of funds:

- ▶ **National Appropriations Law**
 - ▶ Line Budget Item for the Dept. of National Defence
 - ▶ Special Purpose Fund by virtue of Republic Act 7898 (AFP Modernization Act of 1995)
- ▶ **AFP Modernization Act Trust Fund**
 - ▶ created by virtue of RA 7898 (AFP Modernization Act of 1995)
- ▶ **Military assistance**

2007 National Appropriations

- | | | |
|----------------------|---------------|------|
| ▶ Personnel Services | US\$1,293,118 | 77% |
| ▶ Operations | 274,384 | 16% |
| ▶ Capital Outlay | 112,222 | 7% |
| ▶ TOTAL | 1,679,725 | 100% |
- ▶ 1.22% of the GDP
 - ▶ 7.16% of the total govt. spending

Distribution of Funds

▶ Army	51%
▶ Navy	18%
▶ Air Force	16%
▶ GHQ	11%
▶ Other	
Civilian Office	4%
▶ TOTAL	100%


2008 Intelligence Fund = US\$ 3.370M (0.18%)

Agency	Operation	Percentage
Office of the Secretary	National security operations	21.8
AFP-GHQ	MIS	41.72
PAF	MIS	4.1
PA	MIS	15.89
PN	MIS	15.89

Internal and External control

Major Challenges

Role of Parliament

The image shows the cover of the 1987 Constitution of the Republic of the Philippines. The cover is white with a blue and red design. The text "The 1987 Constitution of the Republic of the Philippines" is printed in red at the top left.

The 1987
Constitution of the Republic
of the Philippines


Constitutional Mandate on the Role of Congress

▶ ***Section 24, Article VI***

All appropriations, revenue or tariff bills, authorizing increase of the public debt, bills of local application and private bills shall originate exclusively in the House of Representatives, but the Senate may propose or concur with amendments.

▶ ***Section 25 (1), Article VI***

The Congress may not increase the appropriations recommended by the President for the operation of the government as specified in the budget. The form, content, and manner of preparation of the budget shall be prescribed by law.

The image shows a portion of the cover of the 1987 Constitution of the Philippines. The cover features the national flag's colors: a white triangle at the top with the text "The 1987 Constitution of the Republic of the Philippines" in red, a blue triangle on the left, and a red triangle on the right.


The 1987
Constitution of the Republic
of the Philippines

▶ **Section 25 (2), Article VI**

No provision or enactment shall be embraced in the General Appropriations Bill unless it relates specifically to some particular appropriation therein. Any such provision or enactment shall be limited in its operation to the appropriations to which it relates.

▶ **Section 25 (4), Article VI**


A special appropriations bill shall specify the purpose for which it is intended, and shall be supported by funds actually available as certified by the National Treasurer, or to be raised by a corresponding revenue proposal therein.

The image shows the cover of the 1987 Constitution of the Republic of the Philippines. The cover is white with a blue triangle on the left and a red triangle on the right, meeting at a point at the top. The text "The 1987 Constitution of the Republic of the Philippines" is printed in red on the white background.

The 1987
Constitution of the Republic
of the Philippines

▶ ***Section 25 (5), Article VI***


No law shall be passed authorizing any transfer of appropriations; however, the President, the President of the Senate, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, and the Heads of Constitutional Commissions may, by law, be authorized to augment any item in the general appropriations law for their respective offices from savings in other items of their respective appropriations.

The image shows a portion of the cover of the 1987 Constitution of the Republic of the Philippines. The cover features a white triangular section at the top with the text "The 1987 Constitution of the Republic of the Philippines" in red. Below this, there are vertical stripes of blue and red.

The 1987
Constitution of the Republic
of the Philippines

▶ **Section 25 (7), Article VI**

If, by the end of any fiscal year, the Congress shall have failed to pass the General Appropriations Bill for the ensuing fiscal year, the General Appropriations Law for the preceding fiscal year shall be deemed re-enacted and shall remain in force and effect until the General Appropriations Bill is passed by the Congress.

The image shows the top portion of the cover of the 1987 Constitution of the Philippines. The cover features a white triangular section at the top with red text, and a red and blue background below it. The text reads: "The 1987 Constitution of the Republic of the Philippines".

The 1987
Constitution of the Republic
of the Philippines

▶ ***Section 22, Article VII***

The President shall submit to the congress within thirty (30) days from the opening of every regular session, as the basis of the General Appropriations Bill, a budget of receipts and expenditures and sources of financing, including receipts from existing and proposed revenue measures.

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DBCC's Presentation to Congress of the President's Proposed Budget

7

House of Representatives' Budget Hearing (Mother Committee, Sub-committee, Plenary)

8

Submission to the Senate by the HOR for Budget hearing

9

BICAM "haggling" , then approval of both chamber of the bicameral report

10

Submission to the President for approval or veto

Major challenges on Defence Budget Oversight

- ▶ Lack of independent third party sources of information
- ▶ Lack of inter-office cooperation in data sharing
- ▶ The issuance of Executive Order 464 which requires prior consent of the President for the congressional appearance of all government personnel
- ▶ Limited in-house oversight Reports and Studies
- ▶ Logistical limitations for congressional offices to undertake needed research work to guide oversight
- ▶ Limited time for individual legislators to study the proposed budget

Specific challenges for Defence Budget Oversight

- ▶ **Lack of expertise among parliamentarians**
- ▶ **Lack of access to classified budget information, if not delayed access**

General Assessment

Daghang Salamat!

