



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Bonifacio Drive, Port Area, Manila

097.13 DPWH  
1.25.2022

JAN 25 2022

DEPARTMENT ORDER )  
SUBJECT: )

**Guidelines for the Preparation of  
Proposed DPWH Budget for FY  
2023 and Subsequent Years**

NO. 07  
Series of 2022 *1/25/2022*

In the exigency of the service and in order to have a budget that is in accordance with the Department's core mandate and responsive to the actual infrastructure needs of the country, the following guidelines are hereby prescribed in the planning for the subsequent annual DPWH Budget.

**GUIDELINES FOR THE PREPARATION OF PROPOSED 2023 DPWH BUDGET**

1. Refer to National Budget Memorandum No. 142 dated 12 January 2022, Subject: National Budget Call for FY 2023 for the overall guideline, a copy of which is attached for reference.
2. Limit the FY 2023 budget to National Programs, particularly to the following components, consistent with the core mandate of DPWH and following the Program Expenditure Classification (PREXC):

Organizational Outcome 1 (OO1) Ensure Safe and Reliable National Road System

- a. Asset Maintenance and Preservation Program
- b. National Road Network Development Program
- c. Bridge Program

Organizational Outcome 2 (OO2) Protect Lives and Properties Against Major Floods

- d. Flood Management Program

3. Exclude Convergence and Special Support Program (CSSP), Basic Infrastructure Program (BIP) and other projects local in nature. These are composed largely of Local Projects with no national significance and should be assigned/devolved to the LGUs. These should be devolved to the LGUs in the light of the Local Government Code, the SC ruling on the Mandanas – Garcia (case), and the subsequent Executive Order No. 138, series of 2021 and should not displace important National Projects.

Note: A separate Department Order shall be issued that will provide the guidelines in devolving local projects to the LGUs.

4. Among the National Programs in item B-2 above, the highest priority in budget allocation should be Maintenance and Preservation of existing assets
  - a. For Routine Maintenance (RM) of National Roads, BOM should provide the estimate of needs for the entire National Roads System. DPWH should protect it from any cuts in the 2023 budget.
  - b. For Preventive Maintenance (PM), e.g., overlay, selective reblocking, etc.), DEOs shall submit their proposals for PM of road links in “fair-to-poor” condition, considering the road properties in the Road and Bridge Information Application (RBIA) database, Pavement Management System (PMS), the Annual Average Daily Traffic (AADT) in the Road Traffic Information Application (RTIA) database, and appropriate intervention works and costs. The Planning Service shall evaluate and prioritize these nationwide, using the Highway Development and Management (HDM-4), a planning tool in accordance with the Net Present Value (NPV)/Capital Cost Ratios
  - c. For Rehabilitation/Reconstruction of Damaged Roads, DEOs shall submit their proposals for Rehabilitation of road links in “bad-to-poor” condition, considering the Road Condition data in RBIA, PMS and AADT in RTIA. The Planning Service shall evaluate and prioritize these nationwide, based on the relative road conditions and strategic importance of the links.
5. For National Road Network Development Program, use the following system:
  - a. For Widening: DEOs/ROs may propose Widening if the road link has a Traffic Volume-Capacity Ratio (VCR) of at least 0.6. Check if existing right-of-way (ROW) is sufficient; if not, prepare ROW Action Plan and include ROW cost in the budget.
  - b. For Bypasses/Diversion Roads: DEOs/ROs/Planning Service may propose Bypass/Diversion Road if the road link has a VCR of at least 0.6, and if widening is not practical. Since this involves a new road, observe the following: (i) If the project cost is <₱300M, require a Concept Paper; (ii) if the cost is ≥₱300M, but <₱1B, require a Pre-Feasibility Study (PFS); if the cost is ≥₱1B, require a Feasibility Study (FS).
  - c. For Road Safety (RS) Program: Because of the prime importance of RS, include a new budget line item for a major stand-alone RS program which will retrofit existing roads with new infrastructure safety features, including black spots, mass action treatments, and, in due course, black lengths of the network (This should be a separate budget from mainstream road construction projects and maintenance budgets). For 2023, an initial budget of ₱1.5B should be included For the RS Program. BQS shall issue specific RS program components, e.g., results of International Road Assessment Programme (IRAP) survey of 4,000 km to identify high risk roads with less than 3 Star Rating, Accident Black Spots survey, and Critical Intersections survey.



- d. For Missing Links/New Roads: DEOs/ROs may propose these projects, which may either be non-existing or existing but substandard. The Planning Service, through the Project Preparation Division shall validate these based on overall road network analysis.
  - e. Off-Carriageway Program: DEOs/ROs may propose Drainage and Slope Protection works, especially for identified unstable slide-prone/flood-prone sections.
  - f. Others – Flyovers/Interchanges based on FS.
5. For Bridge Program, use the Bridge Management System (BMS) in the Planning Service to identify and prioritize the following:
- a. Replacement of Weak Bridges
  - b. Retrofitting
  - c. Rehabilitation
  - d. Widening
  - e. New Bridges, including inter-island link bridges –These may require a Concept Paper, PFS or full-scale FS, depending on the magnitude of the project.
6. For Flood Management Program, concentrate on Major Rivers and Principal Rivers. Refer to existing Master Plans. Avoid minor localized river control and drainage which should be devolved to the LGUs.
7. Absorptive Capacity:
- a. Under the Cash Budgeting System, the 2023 appropriations must be fully spent in 2023.
  - b. Disbursement track record – As of end-2021, disbursement on the 2021 budget is ₱396B or 58% of the allotment. Since 2021 was a COVID year, it can be assumed that, under a “normal” 2023 budget and with an improved implementation capacity, disbursement could rise to about ₱550B or 80-90% of the allotment. A doable total ceiling for infrastructure for 2023 would, thus, be ₱550-600B. Hence, the level provided by DBM is ₱619B for FY 2023.
  - c. Ensure that the proposed funding for each project is prudently estimated and programmed so that it can be totally obligated and spent in 2023, allowing for the lead time for engineering, ROW acquisition, and procurement, as well as considering the actual disbursement record.



8. According to Project Status, observe the following order of priorities:
  - a. On-going Projects (PAPs), especially those with active contracts, should receive first priority over new ones. The requirements for On-going Projects constitute Tier 1 (per National Budget Memorandum No. 142 dated 12 January 2022). Ensure that the proposed 2023 funding for these projects can be spent.
  - b. New Projects (PAPs), which comprise Tier 2. The funding requirements for 2023 and subsequent years should be realistic, considering the status and schedule of project approval, engineering design, ROW acquisition, and procurement.
9. According to Funding Project Type, Foreign-Assisted Projects (FAPs) with approved loan/ grant agreements and/or on-going contracts, should receive first priority, considering that these are the Government's international commitments. The budgets for these approved FAPs should be "ring-fenced" and insulated from budgetary cuts. Other FAPs with loan/grant agreements under process should also get priority and check that the proposed schedule and funding requirements are doable, with allowance for the times needed for project processing, negotiations, and procurement.
10. Each candidate project must pass the following requirements before it can be included in the proposed 2023 budget proposal:
  - a. Did the project go through, and endorsed by, the planning/implementing offices concerned - DEO, RO, PMO, PS, and Undersecretary? Has the project been endorsed by the Regional Development Council (RDC)?
  - b. Is the project included in the DPWH Medium Term Public Investment Program (PIP) and Three-Year Rolling Infrastructure Program?
  - c. Is the project supported by sufficient (written) justifications under the applicable criteria in items 2-10 above – e.g., favorable HDM4 results, VCR, FS, etc.?
  - d. For a new project, is it ready for implementation by 2023 as indicated by (i) completed concept paper/PFS/FS, including environmental clearance, (ii) project approval by concerned authority (DPWH/NEDA), (iii) engineering design, and (iv) ROW plan?
  - e. Is the estimated cost of the project reasonable and within accepted benchmarks, e.g., cost/km, cost/m<sup>2</sup>, etc.?
  - f. Can the proposed funding for the project be realistically disbursed fully in 2023?
  - g. Is the project covered by a certification from the District Engineer/Regional Director/Project Director, endorsed by the Undersecretary concerned, that the project meets all of the above requirements?



11. Check if the budget allocation among the component programs is “balanced” in accordance with their relative needs and strategic impact. Consider setting ceilings per program component.
12. To check if the 2023 budget allocation among Regions and DEOs is fair/equitable and addresses the relative development needs and potentials of these areas, a simple formula will be devised, using the following factors with their corresponding weights. This formula will be used to compute the “desirable” shares of the different Regions/DEOs from the total DPWH infrastructure budget for 2023 and, if necessary, to make adjustments to avoid lopsided (excessive/very deficient) shares. A formula will be developed at a latter time to address this issue.
  - a. Population
  - b. Land Area
  - c. Poverty Level
  - d. Level of Infrastructure Needs as indicated by Road Length and Density
  - e. Equal Share
13. For Support to Operations (STO), the following guidelines are proposed:
  - a. BOM and its counterpart units in the DEOs/ROs should be tasked to supervise, not only Routine Maintenance (RM), but also Preventive Maintenance (PM) which is closely allied to RM under the category of Asset Preservation and Maintenance. With these expanded functions, the operating budgets of BOM and the maintenance units of the DEOs/ROs should be correspondingly increased.
  - b. The operating budgets of the Bureau of Quality and Safety (BQS) and its counterpart units in the DEOs/ROs should likewise be increased to an extent that will enable it to effectively supervise the proposed Road Safety (RS) Program in item B-5c above.

## **PROPOSED BUDGET STRUCTURE FOR 2023**

It is directed that the following budget structure for DPWH be adopted for 2023.

### **1. OPERATIONS**

#### **1.1 ASSET PRESERVATION**

##### **1.1.1 National Roads**

1.1.1 Routine Maintenance – *originally under Support to Operations (see Item B-4a)*

##### **1.1.2 Preventive Maintenance**

##### **1.1.3 Rehabilitation**

##### **1.1.2 Major Flood Control**



- 1.2. NATIONAL ROAD NETWORK DEVELOPMENT PROGRAM
  - 1.2.1 Road Widening
  - 1.2.2 Road Construction - including Paving/Upgrading
  - 1.2.3 Bypasses and Diversion Roads
  - 1.2.4 Road Safety – *new (see item B-5c above)*
  - 1.2.5 Off-Carriageway Facilities – including Drainage and Slope Protection
  - 1.2.6 Interchanges and Flyovers
- 1.3. BRIDGE PROGRAM
  - 1.2.1 Replacement
  - 1.2.2 Retrofitting
  - 1.2.3 Rehabilitation
  - 1.2.4 Widening
  - 1.2.5 Construction
- 1.4. FLOOD MANAGEMENT PROGRAM
  - 1.4.1 Major River Basins
  - 1.4.2 Principal Rivers
- 2. SUPPORT TO OPERATIONS (STO)
  - 2.1 DESIGN
    - 2.1.1 Bureau of Design
    - 2.1.2 Design Units of Regions and DEOs
  - 2.2 CONSTRUCTION
    - 2.2.1 Bureau of Construction
    - 2.2.2 Construction Units of Regions and DEOs
  - 2.3 MAINTENANCE
    - 2.3.1 Bureau of Maintenance
    - 2.3.2 Maintenance Units of Regions and DEOs
  - 2.4 EQUIPMENT
    - 2.4.1 Bureau of Equipment
    - 2.4.2 Equipment Units of Regions and DEOs
  - 2.5 QUALITY AND SAFETY
    - 2.5.1 Bureau of Quality and Safety
    - 2.5.2 Quality Control Units of Regions and DEOs
  - 2.6 RESEARCH AND STANDARDS
    - 2.6.1 Bureau of Research and Standards
    - 2.6.2 Materials Research Units of Regions and DEOs



- 2.7 UNIFIED PROJECT MANAGEMENT OFFICE
    - 2.7.1 Roads Management Cluster 1 (Bilateral)
    - 2.7.2 Roads Management Cluster 2 (Multilateral)
    - 2.7.3 Bridges Management Cluster
    - 2.7.4 Flood Control Management Cluster
    - 2.7.5 Buildings Management Cluster
  - 2.8 PUBLIC-PRIVATE PARTNERSHIP SERVICE
3. GENERAL ADMINISTRATION AND SUPPORT SERVICES (GASS)
- 3.1 CENTRAL OFFICE
    - 3.1.1 Office of the Secretary, including Usecs and Asecs
      - 1.1.2 Planning Service
      - 1.1.3 Finance Service
      - 1.1.4 Human Resources and Administrative Service
      - 1.1.5 Legal Service
      - 1.1.6 Procurement Service
      - 1.1.7 Information Management Service
      - 1.1.8 Internal Audit Service
      - 1.1.9 Stakeholders Relations Service
    - 3.1.2 REGIONAL OFFICES
      - 3.2.1 Offices of the Director, including Assistant Director
      - 3.2.2 All General Administration and Support Units of the Regions
  - 3.3 DISTRICT ENGINEERING OFFICES
    - 3.3.1 Offices of the District Engineer, including Assistant District Engineer
    - 3.3.2 All General Administration and Support Units of the DEOs

This Order supersedes all issuances inconsistent herewith and shall take effect immediately.

  
**ROGER G. MERCADO**  
Acting Secretary

Department of Public Works and Highways  
Office of the Secretary



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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
BONCODIN HALL, GENERAL SOLANO ST., SAN MIGUEL, MANILA



**NATIONAL BUDGET MEMORANDUM**

No. 142

**F O R** : All Heads of Departments, Agencies, Bureaus, Offices, Commissions, State Universities and Colleges, Other Instrumentalities of the National Government and all Others Concerned

**SUBJECT** : **NATIONAL BUDGET CALL FOR FY 2023**

**DATE** : 12 JANUARY 2022

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**1.0 BACKGROUND AND RATIONALE**

- 1.1 The national budgeting system always aims to improve the efficiency of the underlying processes, i.e., planning, programming, procurement, cash management, and payment. These improvements in our public financial management systems intend to increase the volume and enhance the quality of public services.
- 1.2 Towards this end, the FY 2023 budget will ensure that only implementation-ready agency proposals are included. Thus, the agencies' budget proposals are expected to be anchored on more concrete program plans and designs that outline key procurement and implementation milestones, including specific project locations and beneficiaries. Agencies are expected to improve their monitoring of priority outputs and results, factoring the "new normal" setting.
- 1.3 This "new normal" in the FY 2023 budget includes the continuing impact of the pandemic and the Supreme Court (SC) decision in **CONGRESSMAN HERMILANDO I. MANDANAS, ET AL. VS. EXECUTIVE SECRETARY PAQUITO N. OCHOA, JR. ET AL. AND HONORABLE ENRIQUE T. GARCIA, JR., VS. EXECUTIVE SECRETARY PAQUITO OCHOA, ET AL. (G.R. NOS. 199802 AND 208488 DATED JULY 3, 2018) or ("MANDANAS RULING")**.
- 1.4 With increased resources available to local government units (LGUs), National Government Agencies (NGAs) should refrain from duplicating the direct delivery of devolved functions and services with the LGUs, and rather focus on capacitating and monitoring the LGUs and shift to addressing emerging national program concerns consistent with the strategies outlined in their respective DBM-approved Devolution Transition Plans (DTPs), once available.



## 2.0 EXPENDITURE MANAGEMENT FRAMEWORK

- 2.1 The FY 2023 budget proposal shall be consistent with the policies of the Duterte Administration as embodied in the **0-10 Point Socioeconomic Agenda** and the **Philippine Development Plan**.
- 2.2 Priority programs and projects contained in the **Public Investment Program (PIP)** and the **Approved FY 2023-2025 Three-Year Rolling Infrastructure Program (TRIP)** reflect the continuing emphasis on infrastructure spending. However, increased infrastructure spending will not, in any way, detract from the full support provided to the poorest, climate change and disaster risk vulnerable areas nor the social sector, and basic public services.
- 2.3 Pursuant to Section 4 of EO No. 138, s. 2021, the functions, services, and facilities devolved to the LGUs under Section 17 of RA No. 7160 and other pertinent laws shall be done in phases with the complete hand over from the NG to the LGUs not later than FY 2024. The NGAs shall now focus on policy and standards development for service delivery, provision of technical assistance, monitoring, and performance assessment of the LGUs. The NGAs shall also treat the LGUs as partners in development and consider cost-sharing arrangements in the implementation of devolved projects.
- 2.4 Relative to this devolution process, the national budget shall:
  - 2.4.1 Include the funding requirement for capacity building programs for LGUs to enable them to assume the devolved functions and services;
  - 2.4.2 Prioritize subsidies for local projects of LGUs belonging to the 5th and 6th income classes, the Geographically Isolated and Depressed Areas (GIDA) as well as those with the highest poverty incidences, ranked in top third highest; and
  - 2.4.3 Be consistent to the DBM-approved DTPs or the DTP duly endorsed by its Devolution Transition Committee if the plan has not yet been approved by the DBM.
- 2.5 To strengthen the vertical and horizontal linkages, strategic regional needs are to be prioritized in the national plans while ensuring that regional plans are aligned with national priorities. Regional agency programs must also be responsive to the needs of the poorest, disadvantaged but well-performing LGUs in their sectors.
  - 2.5.1 Coordination between Agency Central Offices (ACOs) with their respective Agency Regional Offices (AROs) for the medium-term shall be undertaken, subject to the following:

- a) The department priorities in the different regions;
- b) The assessment of implementation-readiness of the priority P/A/Ps in the regions; and
- c) The consideration of the likely resource constraints for the regional planning and budgeting as a result of the "Mandanas Ruling".

In turn, AROs shall craft annual regional plans and budgets anchored to these priorities and criteria, coordinating their efforts with the RDCs to ensure convergence of regional programs.

2.5.2 Agency programs to be implemented by LGUs shall have been coordinated with the targeted LGUs as to the resource availabilities and should be responsive to local and regional needs.

2.5.3 The ACOs through their AROs and SUCs shall finalize their agency budget proposals and should provide timely feedback to the RDCs on the items that were and were not included in the submitted proposals.

Hence, the Department Secretary/Head of Agency shall be held accountable in ensuring that its budget proposals have undergone the proper RDC review process.

2.6 The FY 2023 National Budget will reflect continued adoption of the following administrative reforms for greater budget transparency and reliability:

2.6.1 Two-Tier Budgeting Approach (2TBA);

2.6.2 Unified Accounts Code Structure (UACS);

2.6.3 Program-based budgeting structure through the Program Expenditure Classification (PREXC) approach;

2.6.4 Disaggregation of lump-sum amounts within the agency specific budgets to reflect the program/activity/project (P/A/P), implementing agencies and/or regional or local levels;

2.6.5 Cash Budgeting System (CBS) pursuant to EO No. 91, s. 2019 which emphasizes funding of implementation-ready programs, activities, and projects which can be completed within the fiscal year, or until the allowable implementation period as provided in the applicable general and special provisions of the GAA, if any;

2.6.6 A well-functioning, results-based and credible monitoring and evaluation system that will provide evidence-based information;

- 2.6.7 Institutionalization of the Program Convergence Budgeting (PCB) strategy in the budget process to link, harmonize, and synchronize the timing of critical program interventions; and
- 2.6.8 The Open Government Partnership (OGP) with civil society organizations (CSOs) for greater openness, transparency, and accountability.

### 3.0 DEPARTMENT/AGENCY BUDGET LEVELS

- 3.1 The total budget of departments and agencies shall be based on the total cash requirements of: (a) ongoing P/A/Ps under Tier 1; and (b) new and expanded spending under Tier 2.
- 3.2 The future cost of ongoing and existing policies shall be determined through the updating/formulation of the Forward Estimates (FEs) for FYs 2023-2025.

Consistent with 2TBA, the discussion and deliberation on ongoing/existing programs/activities/projects (PAPs) for FY 2023 shall be separated from the consideration of new spending proposals and expansion of existing PAPs for the budget year. The Tier 1 which refers to the first phase of the 2TBA shall consist of the estimated actual cash requirements for ongoing PAPs and commitments at the same cost and quality. Meanwhile, the requirements for expanded/new proposals are taken up under Tier 2. The Tier 2 requirements for FY 2023 shall be guided by the Budget Priorities Framework which shall be issued in a separate issuance.

The details on the guidelines for the formulation of the FYs 2024-2025 FEs as well as the composition of the FY 2023 Tier 2 proposals are provided in **Annex A**.

### 4.0 GENERAL SUBMISSION REQUIREMENTS

- 4.1 All Budget Preparation (BP) Forms shall be accomplished consistent with **Annex B** (Budget Preparation Guidelines, Forms and Instructions) of this NBM, and submitted via the Online Submission of Budget Proposals System (OSBPS) v2.0, including those forms considered as "Not Applicable" to the agency/ department concerned. Three (3) sets of the hard copies thereof, generated from the OSBPS v2.0 must be submitted to the DBM, duly signed and endorsed by the Department Secretary or the Head of Other Executive Offices (OEOs).

- 4.1.1 **It must be emphasized that the hard copy submission must be the same as the encoded data under the OSBPS v2.0.** In the event the submitted hard copies of the required BP Forms duly endorsed by the Department/Agency Heads are inconsistent with

the encoded data under the OSBPS v2.0, **the encoded data shall prevail** and will be regarded as the official submission of the Departments/Agencies.

- 4.2 Strict adherence to the submission deadlines specified in **Annex C** (Calendar of Activities) of this NBM should be observed.
- 4.3 For proposed amendment, deletion, or addition of special or general provisions, agencies are required to completely fill-out BP Form 300, especially the justification for the revision, deletion, or inclusion of such provisions. Incomplete BP Form 300 shall be a ground for not considering the proposed special and general provisions.
- 4.4 All BP Forms and supporting documents cited in this NBM shall be submitted to the following:
  - 4.4.1 Administrative Service – Central Records division (AS-CRD), Ground Floor, DBM Building III, General Solano St., San Miguel, Manila, with respect to all national government agencies, including the State Universities and Colleges (SUCs) - University of the Philippines System and the Mindanao State University System; and
  - 4.4.2 DBM Regional Offices (ROs) concerned, for the rest of the SUCs.

## **5.0 SPECIFIC SUBMISSION REQUIREMENTS**

- 5.1 Budget proposals of the following departments/agencies belonging to the education sector should **cover those activities to be implemented within the Calendar Year (CY) 2023** (i.e., January to December 2023 only):
  - Department of Education (DepEd),
  - SUCs,
  - Department of National Defense (DND)-Philippine Military Academy and National Defense College of the Philippines,
  - Department of Interior and Local Government (DILG)-Philippine Public Safety College and Philippine National Police,
  - Department of Science and Technology (DOST)-Philippine Science High School,
  - Department of Trade & Industry (DTI)-Technical Education and Skills Development Authority, and
  - Other Executive Offices (OEO)-Commission on Higher Education

Requirements to complete the whole School/Academic year beyond the CY 2023 shall not be included in the budget proposals.

- 5.2 For budget proposals of agencies involving specific concerns, the endorsement of pertinent departments/agencies/entities is required, as follows:

Endorsing Entity	Subject of Endorsement
CHED	SUCs Budgets
DA	Research and Development (R&D) in Agriculture and Fisheries
PSA	Systems of Designated Statistics pursuant to E.O. No. 352
DOST	R&D in natural resources, environment, technological and engineering sciences
DENR-NAMRIA	Procurement of Data from Airborne and Space borne platforms and other related products and services for mapping purposes
ICF <sup>1</sup> Review Panel	Funding proposals pertaining to the Hosting of International Conferences
NEDA	Approved TRIP and PIP
OPAPP	Payapa at Masaganang Pamayanan (PAMANA) Program
DICT	ISSP in support of ICT-related proposals
OEO-PhilSA	R & D of space science and technology applications (SSTAs) & Procurement of data from space-borne platforms
DOE (IAEECC) <sup>2</sup>	Government Energy Efficiency Projects

- 5.3 Similarly, budget proposals of participating agencies for projects linked to or part of convergence programs and projects shall require endorsements of the lead department/agency.

Endorsing Lead Dept./Agency	Program Convergence Subject to Endorsement
DOH	Early Childhood Care Development
TJ-SCPLC	Justice Sector Convergence Program
DDB	Philippine Anti-Illegal Drugs Strategy
DA	Agriculture Development Program
DOT	Tourism Development Program
DTI	Export Development Program
DENR	Pasig River Ferry Convergence Program
DENR	Risk Resiliency Program
POPCOM/ CPD	National Program on Population and Family Planning
OCS	Zero Hunger Program

<sup>1</sup> International Commitments Fund (ICF)

<sup>2</sup> Inter-Agency Energy Efficiency and Conservation Committee (IAEECC)

These lead departments/agencies are also identified in the matrix attached to BP Form 202-A in Annex B-1 of this NBM.

- 5.4 All endorsed projects by the responsible departments/agencies shall still be subject to DBM evaluation.
- 5.5 ICT-related proposals, under the objects/sub-objects of expenditures listed in **Annex 'B-2'**, shall be included in the agency's Information Systems Strategic Plan which shall be prepared subject to the compliance with the rules and regulations issued by the DICT.
- 5.6 Agencies are also reminded to tag the following activities in the OSBPS v2.0:
  - 5.6.1 Classification of Functions of Government (COFOG) which should be at the second level category, i.e., sub-sector level, and re-categorization of GAS and STO from General Services to the appropriate Function/Sector of the agency in accordance with item 5.1 of COA-DBM-DOF Joint Circular (JC) No. 1 dated August 11, 2017; and
  - 5.6.2 Budgets for Climate Change per DBM-CCC Joint Memorandum Circular (JMC) No. 2015-1 dated March 24, 2015.
- 5.7 Relative to the FY 2023 Gender and Development (GAD) Plan and Budget (GPB), the Philippine Commission on Women (PCW) shall issue a separate circular on the specific details of its submission.

6.0 For compliance.



  
**TINA ROSE MARIE L. CANDIA**  
OIC, Secretary