

CONGRESSIONAL POLICY AND BUDGET RESEARCH DEPARTMENT

SUMMARY OF WORK PROGRAM FOR 2013

In preparation for the convening of the 16th Congress, the Congressional Policy and Budget Research Department (CPBRD) teamed with the Office of the Secretary General and the Committee Affairs Department in preparing a compendium of key and strategic legislative proposals that could be used by the House Members as reference in the formulation of the legislative agenda of the 16th Congress. The compendium entitled Good Governance Towards Inclusive Growth also discusses the issues and challenges in various sectors of the Philippine society, the legislative measures that were passed in the 15th Congress, and additional legislations and policy reforms, which are deemed by the House Secretariat as vital and strategic in achieving sustained and inclusive growth.

As part of its regular work program, the CPBRD pursued the following activities and projects:

1. Policy Research
2. National Government Budget Analysis
3. Roundtable Discussions and Forums
4. Technical Assistance to Members of Congress
5. Networking and Consultation Meetings
6. Human Resource Development and Process Improvement

Policy Research

The thrust of the policy research is to support the priority legislative agenda of the 16th Congress. This covers the following sectors: macroeconomy, fiscal, financial, industry, infrastructure, poverty, rural development, human development, environment and governance. The research output takes many forms, ranging from briefing notes and memorandum to various publication formats such as:

- **CPBRD Policy Brief** provides in-depth analyses of relevant policy issues requiring legislative action. It tackles issues particularly aligned with the LEDAC and other priorities of Congress.
- **CPBRD Notes** contain articles that discuss emerging issues and clarify relevant concepts pertaining to bills filed in Congress.
- **CPBRD Forum** presents the proceedings of the round table discussions (RTDs), seminars, and other knowledge sharing activities organized or participated in by the CPBRD in partnership with other knowledge institutions.
- **Facts in Figures** provides a snapshot of current and emerging trends on various socio-economic, fiscal and institutional concerns.

National Government Budget Analysis

Another major activity of the CPBRD is the analysis of the national budget which serves as inputs to the deliberation of the General Appropriations Act. Among the reports in connection with the national government budget analysis that were prepared, published and disseminated by the CPBRD to Members of Congress and the general public are:

- **Budget Briefer** examines the proposed national government budget which consists of three major publications:
 - (i) **Macroeconomic Perspective** analyzes the underlying macroeconomic assumptions of the proposed budget such as the growth target, inflation, interest and foreign exchange rates, and oil prices.
 - (ii) **Dimensions of the Proposed Budget** examines the size and allocation of the national budget, and how it is supportive of the development plans of government.
 - (iii) **Financing the Budget** evaluates the reliability of revenue targets under prevailing circumstances, reviews proposed legislative measures to increase revenue collections and recommends other potential revenue sources.
- **Agency Budget Notes (ABN)** examine the past, current and proposed budgets in terms of allocation by program/project, type of expenditure (i.e., current expenditures, capital outlay and financial expenses), and shares of regional offices. For 2013, analysis of 29 agencies were conducted.
- **Budget Variance Tables** intend to facilitate the legislators' evaluation of the President's annual budget proposal. They present a comparison of the budget by object of expenditures (i.e., personal services, maintenance and other operating expenses, capital outlay, and financial expenses), and by department/agency and special purpose fund.

To facilitate understanding especially of the neophyte Members of Congress of the budget process and the documents and reports generated at each stage, the CPBRD embarked on publishing the second edition of the **Legislator's Guide in Analyzing the National Budget**.

Roundtable Discussions and Forums

To complement the committee hearings and promote evidenced-based policy making, the CPBRD in partnership with other research institutions (e.g., Philippine Institute for Development Studies, Asian Institute of Management Policy Center, Action for Economic Reforms) and multilateral and bilateral organizations (e.g., World Bank, Asian Development Bank, AusAid and USAID) organize knowledge sharing activities for legislators, house secretariat and congressional staff based on the results of studies and researches that have important bearing on the policy measures being taken up in Congress.

Technical Assistance to Members of Congress

A substantial portion of the work of the CPBRD is devoted to dealing with technical assistance requests from the Office of the Speaker and other House Members. The requirements include drafting speeches, preparation of briefing notes and memoranda, and participation in technical working groups.

Networking and Inter-agency Meetings

As a member of the LEDAC secretariat and organizer of various knowledge sharing activities in the House of Representatives, the CPBRD is likewise regularly invited to participate in various inter-agency meetings, forums, and seminars that are organized by the different national government agencies, multilateral and bilateral agencies, and business and civil society organizations. These meetings help enrich CPBRD policy research and build the capacity and network of its staff.

For 2013, the CPBRD in particular actively participated in the various planning groups organized by the National Economic Development Authority for updating the Philippine Development Plan 2011-2016.

Human Resource Development and Process Improvement

In support of its technical work, the CPBRD maintains and regularly updates a databank of socio-economic statistics. The staff also monitor issues concerning the sectors they handle. Correspondingly, CPBRD officials and staff continually look for training opportunities to enhance technical skills and improve the quality of research work and technical assistance provided to the House members.

To enhance efficiency, the CPBRD is also committed to continually improve its processes such as sharing of information and resources, establishing work standards, and monitoring performance. Apart from the regular workload, the following priority projects were identified for 2013:

- Development and operationalization of the CPBRD website (www.cpbo.gov.ph);
- Institutionalization of the web platform for the CPBRD-PIDS Electronic Resource Base for Legislation (ERBL);
- Strengthening linkage with the Commission on Audit for budget oversight research;
- Formalization of the partnership with PIDS on the Socio-Economic Research Portal for the Philippines (SERP-P); and
- Development of a Congressional Districts Coding Standard; and
- CPBRD Personnel Performance Review and Appraisal.

CONGRESSIONAL POLICY AND BUDGET RESEARCH DEPARTMENT

EXECUTIVE SUMMARY

The work program of the Congressional Policy and Budget Research Department (CPBRD) was prepared in line with its mission of supporting the leadership and Members of the House of Representatives in their legislative and oversight work.

Providing Policy Research

The thrust of the policy research is to support the priority legislative agenda of the 16th Congress. The research output takes many forms, ranging from briefing notes and memoranda to various publication formats such as the following:

CPBRD Policy Brief, which provides in-depth analyses of relevant policy issues requiring legislative action. It tackles issues particularly aligned with the LEDAC and other priorities of Congress. In 2013, the CPBRD published five Policy Briefs:

- Pushing for Greater Transparency and Accountability Through Freedom of Information
- Impact of Tenurial Instruments to Sustainable Forest Resource Management
- Strengthening the Microfinance Sector Towards Inclusive Growth
- Essentials for Designing a Tertiary Education Student Loan Scheme in the Philippines
- Q & A on Promoting Competition in the Philippines

CPBRD Notes, which contains articles that discuss emerging issues and clarify relevant concepts pertaining to bills filed in Congress. The Department produced four articles for CPBRD Notes in 2013:

- Looking into the Proposed Amendments to the Charter of the Bangko Sentral ng Pilipinas
- Targeting Social Protection Programs: Some Design and Implementation Issues
- Promoting Transparency and Accountability in the Extractive Industry Sector
- Sangguniang Kabataan: For Abolition or Reform?

CPBRD Forum, which documents the proceedings of the round table discussions (RTDs), seminars, and other knowledge sharing activities organized or participated in by the CPBRD in partnership with other knowledge institutions. The Department published five CPBRD Forum reports:

- Rice Sufficiency for the Philippines: Is It Feasible?
- Findings from the Impact Evaluation of Pantawid Pamilyang Pilipino Program
- Assessment of the Efficiency and Effectiveness of the Reforestation Program of DENR

- An Initial Assessment of the *Pantawid Pamilyang Pilipino Program (4Ps)*: Looking at Possible Potentials and Pitfalls
- Efficiency and Effectiveness Review of the National Housing Authority Resettlement Program

Facts in Figures, which provides a snapshot of current and emerging trends on various socio-economic, fiscal and institutional concerns. There were twenty *Facts in Figures* prepared by CPBRD during the year:

- 2012 National Income Accounts
- Global Nuclear Energy Development
- Open Budget Index Scores
- 2012 Cash Operations Report
- Peace and Security Vital to Investment Climate
- 1st Quarter 2013 Philippine Economic Performance
- The Philippine Bond Market
- Unemployment in the Philippines
- Power Supply-Demand Situationer
- Underemployment in the Philippines
- Absorptive Capacity
- 2013-2014 Global Competitiveness Report
- Population Demographics in the Philippines
- Updates on Price and Supply
- Minimum Wage Statistics
- Human Capital Index
- 2014 Doing Business Scoreboard
- Tax Rates in ASEAN
- 3rd Quarter 2013 Philippine Economic Performance
- Distribution of Philhealth Membership

Budget Analysis

Another major activity of the CPBRD is the analysis of the budget which serves as inputs to the deliberation of the FY 2014 proposed budget. Among the reports in connection with the national government budget analysis that were prepared, published and disseminated by the CPBRD to Members of Congress and the general public are:

Budget Briefers, which examines the proposed national government budget in three major areas:

- *The Macroeconomic Perspective of the FY2014 National Government Budget*
- *Financing the Empowerment Budget of FY 2014*
- *Dimensions of the FY 2014 National Government Budget*

Agency Budget Notes (ABN), which aims to assist legislators in making more informed reviews and deliberations of department/agency budget. The ABNs examine the past, current and proposed budgets in terms of allocation by

program/project, type of expenditure (i.e., current expenditures and capital outlay), and regional shares. ABNs highlight results of program evaluation (done in-house or by other research institutions) as well as audit findings and status of implementation of prior years' COA recommendations. CPBRD analyzed the 2014 budget of 29 agencies to cover the biggest budget recipients, frontline offices, constitutional commissions and other critical agencies of government.

Budget Comparison Tables, which are intended to facilitate the legislators' evaluation of the President's annual budget proposal. The handbook shows variance (increases and/or decreases) of budgetary allocation of different agencies, top gainers and losers in terms of 2014 budget and expenditure components.

Legislators' Guide in Analyzing the National Budget, 2nd Edition, which aims to facilitate understanding, especially of the neophyte legislators, of the budget process and the documents and reports generated at each stage of the process. It also seeks to promote the budget as an effective tool of economic development in the Philippines.

Roundtable Discussions and Forums

The CPBRD continues to collaborate with other research institutions (e.g., Philippine Institute for Development Studies, Asian Institute of Management Policy Center) and multilateral organizations (e.g., World Bank, Asian Development Bank) in conducting various knowledge sharing activities in the House of Representatives. These information sharing conducted are jointly determined by CPBRD and the partner institutions. A total of twelve knowledge sharing activities were organized during the year:

- Round Table Discussion "Rice Self-sufficiency for the Philippines: Is it Feasible?"
- Knowledge Sharing Forum "Findings of the 2012 Impact Evaluation of the Conditional Cash Transfer Program (*Pantawid Pamilya*)"
- Knowledge Sharing Forum "Promoting Inclusive Growth through the *Pantawid Pamilyang Pilipino* Program (4Ps)"
- Assessment of the Efficiency and Effectiveness of the Reforestation Program of the Department of Environment and Natural Resources.
- Efficiency and Effectiveness Review of the National Housing Authority Resettlement Program
- Impact Assessment of the Agricultural Production Support Services of the Department of Agriculture on the Income of Poor Farmers/Fisherfolk.
- Knowledge Sharing Forum "A Dialogue on Local Education Governance"
- High level meeting between COA and Congress officials
- Scoping study for greater COA-Congress Cooperation
- Public Financial Management Reforms
- Industry Roadmaps and National Industrial Development
- Promoting Good Governance through People's Freedom of Information

CPBRD officials were also invited as resource persons or lecturers in the following events held outside of Congress:

- Annual Seminar of the Council of Economics Educators (CECON), Inc. entitled "Economic Outlook 2013" (resource speaker on public sector outlook)
- Urbanization, a focus group discussion on framework and issues on three vulnerabilities (disaster, conflict and urbanization)
- Legislative forum to assess the accomplishments of the 15th Congress and develop recommendations for the 16th Congress
- Philippine Development Plan Regional Consultation: Quezon City (Region 4B)
- Executive Course for New Members of the 16th Congress; resource speaker on "*The Priority Development Assistance Fund*"
- Basic Investigative Reporting: Political Clans, Governance, and Journalists' Safety; resource speaker on "*The Government's Purse: Tracking the State's Resources*"
- On-cam interview regarding the Philippine Economy featured in the IBC-13 TV segment "Special Report on SONA"
- Budget Briefing on the 2014 National Government Budget for the Minority House Members
- 4th National Multi-Sectoral Policy Conference on Human Development, panel of presenters on: (1) Good Governance; (2) Fiscal Reforms; (3) Labor; (4) Environment; and (5) Rural Development;
- 12th National Convention on Statistics, discussant to the "New PMT Model: Improving Targeting of the Poor for Social Protection"
- University Forum on the Framework Agreement on the Bangsamoro, expert analysis and remarks on "Wealth Sharing Scheme"
- NEDA-LEDAC Secretariat's Symposium/Orientation, resource speaker on Legislative Processes and Best Practices on Legislative Advocacy
- DLSU Issues Café's lecture on "Improving Income Distribution: An Economic Imperative"

Technical Assistance to Members of Congress

A substantial portion of the work of the CPBRD is devoted to dealing with technical assistance requests from the Office of the Speaker and other House Members. The requirements include drafting speeches, preparation of briefing notes and memoranda, and participation in technical working groups.

Speeches Drafted:

- Speech for the Launching of the Council for the Architecture Profession
- Welcome remarks for the Pinoy Biotech Products Exhibit: Contributing to Sustainable Agriculture, Improved Health and Better Environment
- Statement of the Philippine Head of Delegation- 21st Annual Meeting of the Asia Pacific Parliamentary Forum, 27-31 Jan 2013
- Speech for the Breaking through to Sustainability, MDG Status and the Post 2015 Agenda
- Welcome address to US Congressional Delegation
- Speech for the Hosting of Luncheon during the GOPAC 5th Global Conference on Anti-Corruption

- Welcome Address for the Opening Ceremony of the GOPAC 5th Global Conference (Anti-Corruption)
- Recollection 1081 Clear and Present Danger (Martial Law)
- Speech for the Acceptance of Citizen's Agenda for MDG Achievement
- Closing Remarks Before the Adjournment of Session, 3rd Regular Session of the 15th Congress
- Question and Answer for Citibank's Economic Briefing for 2013
- Speech for the Arangkada Philippines Forum: Realize the Potential
- Speech for the Awarding of the Outstanding Sanggunian Bayan, Panlungsod (PCL-LLA) and Ten Outstanding Councilors of the Philippines
- Keynote Speech for FFCCCII (Filipino-Chinese Chambers) 29th Biennial Convention
- Closing Remarks of the 3rd Regular Session of the 15th Congress
- Opening Remarks of the 16th Congress
- Presentation of the New Criminal Code Bill: *"Codification Program, Criminal Code Reform"*
- Speech for the Wallace Business Forum
- Opening Message for the Meeting of Cabinet Secretaries and LP Representatives
- Speech for the League of Barangays of the Philippines, 29 Aug 2013
- Speech for the Foundation for Economic Freedom on Constitutional Amendments of Economic Provisions
- Speech for the 34th ASEAN Inter-Parliamentary Assembly (AIPA), Brunei Darussalam
- Speech for the 4th National Multisectoral Policy Conference of PLCPD
- Speech for the Makati Business Club on Legislative Priorities for Inclusive Development
- Remarks Before the 1st Break of the 16th Congress
- Speech for the US-ASEAN Business Council
- Speech for the PCCI's 39th Philippine Business Conference- Regulatory and Legislative Reforms
- Speech for the Banco De Oro Economic Briefing
- Acceptance Speech for the FES' Freedom Flame Ceremony
- Statement on House Resolution No. 1- Constitutional Amendments

Briefing Notes for the following:

- IMF Article IV Consultation Meeting, Courtesy Call Regarding Macroeconomic and Fiscal Performance
- 21st Annual Meeting of the Asia Pacific Parliamentary Forum in Russia
- Meeting with DDG Tanaka of Japanese METI
- Meeting with Standards and Poor's (S&P) on Credit Rating and Relevant Legislative Priorities
- Money Laundering for the FATF-ICRG On-Site Visit
- Challenges on Inequality in the Philippines
- Meeting with Moody's Investor Service
- US-ASEAN Business Council Meeting
- BSP Charter Amendments

- The Proposed Amendments to the Economic Provisions of the Philippine Constitution
- DBCC Meeting on the 2014 Budget
- Mindanao Budget and Socioeconomic Data
- Highlights of the President's 2013 State of the Nation Address
- Practices of ASEAN central banks to obtain information from the public
- Proposed Amendments to the BOT Law
- Fiscal Sector Performance
- Fiscal Incentives to the Mining Industry

Other Technical Assistance

- In partnership with the Committee on Affairs Department (CAD) and the Office of the Secretary-General, the CPBRD also made significant contributions in the preparation of the Legislative Agenda for the 16th Congress (from the Secretariat's perspective). The specific chapters that were assigned to the CPBRD are the following:
 - o Promoting Good Governance and the Rule of Law
 - o Mobilizing Revenues
 - o Ensuring Public Order, Peace and Security
 - o Enhancing Agriculture and Fisheries Productivity
 - o Unleashing Land Productivity
 - o Ensuring Environmental Sustainability
 - o Expanding Access to Health Towards Higher Productivity
 - o Revitalizing Education for a more Competitive Human Resource
 - o Enhancing Social Protection
- Provided inputs in the updating of the following chapters of the 2011-2016 Philippine Development Plan of NEDA:
 - o Legislative Agenda (Chapter 5) – Competitive and Sustainable Agriculture and Fisheries Sector
 - o Legislative Agenda (Chapter 6) – Unleashing Land Productivity
 - o Legislative Agenda (Chapter 7) – Ensuring Environmental Sustainability
 - o Legislative Agenda (Chapter 8) – Revitalizing Education for a Competitive Human Resource
 - o Legislative Agenda (Chapter 9) – Expanding Access to Health
 - o Legislative Agenda (Chapter 10) – Enhancing Social Protection

Human Resource Development and Process Improvement

Apart from the Department's regular workload, the following priority projects were rolled out in 2013 to enhance the efficiency the CPBRD in carrying out its mandate and mission:

- Development and operationalization of the CPBRD website (www.cpbo.gov.ph);

- Institutionalization of the web platform for the CPBRD-PIDS Electronic Resource Base for Legislation (ERBL);
- Ongoing partnership with PIDS on the Socio-Economic Research Portal for the Philippines (SERP-P);
- Development of a Congressional Districts Coding Standard;
- Development of a Manual of Style for all CPBRD publications;
- Implementation of the digitization of relevant correspondence in the Office of the Director General;
- Daily reporting via email to all CPBRD staff of the following: memo, SO, notices within HOR, current schedule of meetings of staff, and reports and publications received;
- Use of third party software applications like Dropbox for file management;
- Organization of office library for CPBRD collections; and
- Maintenance of the following databases:
 - o Fiscal statistics, to include: revenues, expenditures, debt and borrowings, details of the Cash Operations Report (COR), local fiscal statistics
 - o Poverty/Household Income and Expenditures, Social Health Insurance, Rice Importation, Growing Demand for Quality Education Worldwide
 - o National Income Accounts, Inflation Rate, Exchange Rate, Interest Rate, Financial System, Trade and Tourism, OFW Remittances, Infrastructure
 - o Social development (*labor/wages, poverty/income, education, CCT, health financing*) and rural development
 - o CPBRD correspondences and meetings attended by the staff
 - o Books, reports, publications transmitted to CPBRD and materials collected from meetings/fora
 - o Directory of government offices, multi-lateral organizations, and other agencies

Correspondingly, CPBRD officials and staff continue to look for training opportunities to enhance technical skills to further improve the quality of research work and the technical assistance provided to the House members. In 2013, CPBRD staff participated in training programs, seminars/fora, and workshops (See Appendix for the List of Meetings).

CONGRESSIONAL POLICY AND BUDGET RESEARCH DEPARTMENT

DETAILS OF THE REPORT

The work program of the CPBRD is essentially grouped into eight major activities namely, policy research, budget analysis, knowledge sharing, technical assistance, special projects, data banking, human resource development and facilities and process improvement. The research output takes many forms, ranging from briefing notes and memoranda to various publication formats such as the following:

CPBRD Policy Brief provides in-depth analyses of relevant policy issues requiring legislative action. It tackles issues particularly aligned with the LEDAC and other priorities of Congress. In 2013, the CPBRD published the following Policy Briefs:

- *Impact of Tenurial Instruments to Sustainable Forest Resource Management.* This paper examines the impact of tenure instruments on forest management and local development. By any indication, livelihood and income of forest communities have not significantly improved in most cases. Hence, to advance initial gains of forest tenure reforms, the paper argues the need for government to pursue: (1) the passage of the forest resources bill, (2) the passage of the forest delineation bill, (3) the promotion of community-based forest tenurial instruments, (4) the clear primary mandate of DENR, and (5) social processes that ensure greater participation in the management and sharing of benefits from forest resources.
- *Essentials for Designing a Tertiary Education Student Loan Scheme in the Philippines.* This paper evaluates the proposed Nationwide Student Loan Program (NSLP) according to emerging standards in international practice. It recommends Income-Contingent Loan (ICL) scheme as a possible way to minimize default considering that a person's capacity to repay his debt would depend on his actual earnings. Pre-conditions for the success of ICLs are discussed and a benchmark ratio for a reasonable repayment burden has been proposed based on the framework endorsed by Baum and Schwartz (2005). The paper hopes to contribute to discussions on designing a better nationwide student loan program in the Philippines.
- *Strengthening the Microfinance Sector Towards Inclusive Growth.* The paper calls for the strengthening of the regulation of non-bank microfinance institutions which provide the bulk of loans and serve the most number of borrowers. The existing regulatory framework of all microfinance institutions is discussed and areas for possible legislative consideration are identified. The paper also presents the experiences of other countries in regulating microfinance institutions which could serve as reference in the formulation of the appropriate regulatory framework for the sector.

- *Q&A Promoting Competition in Philippine Markets*. This paper presents the importance of a comprehensive Competition Policy and the rationale for the enactment of a Competition Law, suggests elements needed to formulate an effective Competition Law, and seeks to foster discussion among policymakers by surfacing issues that would impact on reducing the gap between policy and implementation.
- *Pushing for Greater Transparency and Accountability through Freedom of Information (FOI)*. This paper discusses the Legislative Branch's efforts to pass an FOI law mandating the government to open public records for scrutiny. It also tackles the issues that continue to stall its passage such as 1) the disclosure of public contracts/agreements, funds and guarantees provided to the private sector, 2) the exemptions from FOI due to national security, and 3) the inclusion of the "right to reply" provisions. Further, it contains ideas on increasing the likelihood of FOI's implementation success is enacted.

CPBRD Notes contain the following articles that discuss emerging issues and clarify relevant concepts pertaining to priority bills filed in Congress.

Looking into the Proposed Amendments to the Charter of the Bangko Sentral ng Pilipinas. Twenty years after the enactment of The New Central Bank Act (Republic Act 7653), the Bangko Sentral ng Pilipinas (BSP) is seeking for the amendment of its charter to enable it to respond more appropriately to the changes in the global economic and financial landscape. This paper attempts to examine some of the features of the proposed amendments. It seeks to elicit further discussion to aid in the deliberation of the bill.

- *Targeting Social Protection Programs: Some Design and Implementation Issues*. The article highlights that there has been an increased emphasis on targeting strategies that do not depend on directly observing incomes, such as the proxy means tests (PMTs). But, targeting benefits to the poor is not without its shortfalls. To reduce this risk, some countries like the Philippines carry out recertification process to update the PMT model, as well as re-evaluate assumptions about recipient's eligibility. While these may lead to improvements in limiting the errors, the article argues that it is still imperative to revisit the methodologies associated with implementing the improved targeting system and other design/technical considerations that are just as important as having a robust PMT model.
- *Promoting Transparency and Accountability in the Extractive Industries Transparency Initiative (IETI)* calls on governments to institutionalize systems that will reconcile payments and receipts from extractive industries such as mining. It discusses the guiding principles and standards that the Philippines needs to comply following the country's qualification as EITI candidate.

- *Sangguniang Kabataan : For Abolition or Reform?* This article presents the different issues raised by the stakeholders that resulted in the postponement of the SK election. Moreover, it discusses the various proposed measures on SK political system categorized under 1) for abolition, 2) for replacement, and 3) for strengthening of the system. Lastly, this paper also contains the challenges that may be considered by the policymakers.

CPBRD Forum presents the proceedings of the round table discussions (RTDs), seminars, and other knowledge sharing activities organized or participated in by the CPBRD in partnership with other knowledge institutions. CPBRD Forum reports prepared by the Department during the year are as follows:

- *Rice Sufficiency for the Philippines: Is it Feasible?*
This reports on the discussion of Rice Sufficiency in the Philippines in a knowledge sharing forum organized by the CPBRD and Philippine Institute for Development Studies in partnership with the Committee Affairs Department last January 28, 2013. The central theme of the discussion was on the government's priority program—the Food Staples Sufficiency Program—which aims to target self-sufficiency in rice by 2013. But as pointed out, this goal is largely influenced by the reality that the Philippines can be vulnerable to volatile global commodity market activities. In particular, world rice trade is subject to political decisions by governments which are the biggest market players and which consider rice a vital commodity. Given these circumstances, the important question is: Can the country achieve rice self-sufficiency? Dr. Roehlano M. Briones of PIDS stressed that it is highly unlikely that rice self-sufficiency targets can be attained.
- *Findings from the Impact Evaluation of the Pantawid Pamilyang Pilipino Program (4Ps)*
This reports on the discussion of the results of the World Bank's assessment of the *Pantawid Pamilyang Pilipino Program* or 4Ps with officials and staff of the House of the Representatives last March 14, 2013. The results of the evaluation were presented by the World Bank team led by Mr. Nazmul Chaudhury and Mr. Cyril Muller. The presentation showed that over-all, the program is achieving its objectives, including keeping poor children in school and improving their health outcomes. However, despite its success, the program still faces significant challenges including targeting errors such as inclusion and exclusion, the rapid scaling up of the program, and the ability of the country to meet the Millennium Development Goals.
- *An Initial Assessment of the Pantawid Pamilyang Pilipino Program: Looking at Possible Potentials and Pitfalls*
This reports on the highlights of the impact assessment report of the *Pantawid Pamilyang Pilipino Program* (4Ps) presented in a forum jointly organized by the CPBRD and the Philippine Institute for Development Studies last May 29, 2013. Dr. Celia Reyes, Senior Fellow of the PIDS presented the findings of their study entitled "*Promoting Inclusive Growth Through the Pantawid Pamilyang Pilipino Program* (4Ps)." The study shows that the 4Ps program leads to an increase in the school participation rate by 3.5 percentage points

among children aged 6 to 14 years old. A major recommendation of the study is to extend the 4Ps or harmonize it with other government programs to ensure that the children of household beneficiaries finish at least secondary education.

- *Assessment of the Efficiency and Effectiveness of the Reforestation Program of the Department of Environment and Natural Resources*
This reports on the discussion of the paper presented by Dr. Danilo C. Israel in a knowledge sharing forum jointly organized by CPBRD and Philippine Institute for Development Studies last July 3, 2013. This activity is part of a seminar series on Zero-Based Budgeting commissioned by the Department of Budget and Management. The study assesses the reforestation program of the Department of Environment and Natural Resources, i.e., whether the program has been efficient and effective in achieving its objectives. Among the most important findings of the study are: a) at the national level, the reforestation program of the DENR has only partially attained its replanting targets; b) also at the national level, it appears to have become relatively inefficient in the conduct of replanting activities over the years; and c) at the individual site level, it may have been effective to some degree in increasing incomes and livelihood opportunities, improving natural resources and achieving the other objectives of reforestation in many areas.
- *Efficiency and Effectiveness Review of the National Housing Authority Resettlement Program*
This report is based on the study presented by Dr. Marife M. Ballesteros in a forum last July 18, 2013. The study entitled “Efficiency and Effectiveness Review of the National Housing Authority Resettlement Program” is part of the series of papers on Zero-Based Budgeting commissioned by the Department of Budget and Management, and aimed to assess the cost effectiveness of the NHA resettlement modalities and examine the welfare issues in the resettlement sites. The forum was jointly organized by the CPBRD and Philippine Institute for Development Studies.
- *Industry Roadmaps and National Industrial Development.*
This report is based on the paper presented by Dr. Rafaelita M. Aldaba in a forum organized by the CPBRD and Philippine Institute for Development Studies last October 17, 2013. The study stressed that with the continuing sluggishness of the global economy, rebalancing growth should now focus on strengthening the domestic economy which is why a policy towards the revitalization of the country’s manufacturing industry is strongly encouraged. Compared to past industrial policies which highly relied on trade protection such as tariff and non-tariff measures, Dr. Aldaba argued that the new industrial policy of the government focuses on enhancing government’s role in addressing the most binding constraints to growth by creating the appropriate policy framework that would attract private sector development along the lines of the country’s competitive advantage.

Facts in Figures provides a snapshot of current and emerging trends on various socio-economic, fiscal and institutional concerns. Specific topics covered in 2013 were:

- 2012 National Income Accounts
- Global Nuclear Energy Development
- Open Budget Index Scores
- 2012 Cash Operations Report
- Peace and Security Vital to Investment Climate
- 1st Quarter 2013 Philippine Economic Performance
- The Philippine Bond Market
- Unemployment in the Philippines
- Power Supply-Demand Situationer
- Underemployment in the Philippines
- Absorptive Capacity
- 2013-2014 Global Competitiveness Report
- Population Demographics in the Philippines
- Updates on Price and Supply
- Minimum Wage Statistics
- Human Capital Index
- 2014 Doing Business Scoreboard
- Tax Rates in ASEAN
- 3rd Quarter 2013 Philippine Economic Performance
- Distribution of Philhealth Membership

Another major activity is the analysis of the budget which serves as inputs to the annual deliberation of the proposed budget. An important component of the budget analysis is the conduct of macro simulations and forecasts of the national income accounts and major economic variables which are incorporated into the budget analysis as well as the regular review of macroeconomic performance, to wit: 1) Monthly Simulation of Selected Economic Indicators, 2) Quarterly Simulation of the National Income Account, and 3) GNI and GDP – CPBRD Growth Scenarios.

As the CPBRD targets an earlier release of these analyses to give House members sufficient time to study the documents before the scheduled budget hearing, the office publishes the analysis of the budget in the following formats:

Budget Briefers examine the proposed national government budget in three major publications:

- *The Macroeconomic Perspective: Enhancing the Underpinnings of Public Finance in Support of Development Priorities* discusses the macroeconomic underpinnings of the proposed 2014 national budget which determines the viability of the proposal. The briefer underscores that it is important for the government to seek a balance between managing the deficit and attaining a higher level of inclusive growth through higher disbursements.
- *Financing the Empowerment Budget of FY 2014* evaluates the reliability of revenue targets under prevailing circumstances. It argues that instead of increasing collections through tax administrative measures, Congress must

restructure the excise tax on alcohol and tobacco products and rationalize the fiscal incentive system.

- *Dimensions of the FY 2014 National Government Budget* examines the size and allocation of the national budget, and how it is supportive of the development plans of government. It argues that while the mix of spending priorities suggests an upturn in the recent years, expenditures on crucial sectors remain below regional average and international standards. Patterns of budget utilization have also remained the same, as most government agencies were not able to use up their budget allocations despite early passage of the General Appropriations Act in the past two fiscal years.

Agency Budget Notes (ABN) examine the past, current and proposed budgets in terms of allocation by program/project, type of expenditure (i.e., current expenditures and capital outlay), and shares of regional offices. For 2013, the Department analyzed the budget of 29 agencies to cover the biggest budget recipients, frontline offices, constitutional commissions and other critical agencies of government.

Budget Variance Tables present a comparison of the budget by object of expenditures (i.e., personal services, maintenance and other operating expenses, and capital outlay), and by department/agency and special purpose fund.

Legislators' Guide in Analyzing the National Budget, 2nd Edition. First published in 2009, this handbook aims to promote the budget as an effective tool of economic development in the Philippines. Specifically, it seeks to facilitate understanding of the budget process and the documents and reports generated at each stage of the process. A new section was added to the 2nd edition to give importance to the Legislature's function in ensuring budget accountability. It discusses the different types of audit and their potential uses for budget oversight. Also, it presents the major reports produced by the COA that can be used by Congress. The statistical appendices were also updated to include actual data for the period 2004-2012, and cross-country data for comparison.

Inter-Department/Inter-Agency Cooperation. In preparation for the 16th Congress, the CPBRD partnered with other Secretariat departments in coming up with a Proposed Legislative Agenda from the Secretariat's Perspective. The handbook presents a menu of critical and strategic legislative measures which may be considered by leaders of the 16th Congress in the formulation of their own legislative agenda.

The CPBRD proposals contained therein come from its engagements with other government agencies, business groups, development partners and other learning institutions. Also, the CPBRD evaluated the measures that were filed in the 15th Congress.

Knowledge Sharing Activities

The CPBRD continues to collaborate with other research institutions (e.g., Philippine Institute for Development Studies, Asian Institute of Management Policy Center) and multilateral organizations (e.g., World Bank, Asian Development Bank) to carry out various knowledge sharing activities in the House of Representatives. The following knowledge sharing activities were organized during the year:

- *Rice Self-sufficiency for the Philippines: Is it Feasible?* was jointly organized by the CPBRD and Philippine Institute for Development Studies in partnership with the Committee Affairs Department last January 28, 2013. The central theme of the discussion was on the government's priority program—the Food Staples Sufficiency Program—which aims to target self-sufficiency in rice by 2013. The RTD aims to broaden understanding of the capacity and performance of the country's rice sector in light of the government's objective to achieve rice self-sufficiency by 2013. Dr. Roehlano M. Briones, Senior Research Fellow of PIDS, was the resource speaker in the said RTD.
- *Findings of the 2012 Impact Evaluation of the Conditional Cash Transfer Program (Pantawid Pamilya)* was held last March 14, 2013 with officials and staff of the House of the Representatives as participants. The results of the evaluation were presented by the World Bank team led by Mr. Nazmul Chaudhury and Mr. Cyril Muller. The Forum aims to discuss the progress of the social protection program as to whether its objectives of promoting investments in health and education of children while providing immediate financial support to the poor families are being met.
- *“Promoting Inclusive Growth through the Pantawid Pamilyang Pilipino Program (4Ps)”* was jointly organized by CPBRD and the Philippine Institute for Development Studies last May 29, 2013. Dr. Celia Reyes, Senior Fellow of the PIDS presented the findings of their study. The forum aims to discuss the assessment of the *Pantawid Pamilyang Pilipino Program*, including its design, targeting system, implementation and its impact to the poor. Poverty trends and the economic participation of the poor are also discussed in the forum.
- *Assessment of the Efficiency and Effectiveness of the Reforestation Program of the Department of Environment and Natural Resources* was jointly organized by the CPBRD and Philippine Institute for Development Studies last July 3, 2013. This is part of a seminar series on Zero-Based Budgeting commissioned by the Department of Budget and Management. As the first of three related seminars, the purpose of the discussion is to determine if the reforestation program of the DENR over the years has been successful in attaining its stated objectives and in mitigating the adverse impacts of climate change on forest resources and the natural environment. Dr. Danilo C. Israel, a Senior Research Fellow of PIDS, was the resource speaker in the said event.
- *Efficiency and Effectiveness Review of the National Housing Authority Resettlement Program* was jointly organized with Philippine Institute for

Development Studies last July 17, 2013 as part of a seminar series on Zero-Based Budgeting commissioned by the Department of Budget and Management. This seminar broadly seeks to deepen understanding of zero-based budgeting approach of program evaluation for national budget decision-making. As the second of three related seminars, the purpose of the discussion is to understand the conditions for an effective and efficient implementation of resettlement programs. The review focuses on the recent operations of NHA covering the period between 2003 and 2011. Dr. Marife M. Ballesteros, a Senior Research Fellow of PIDS, was the resource speaker in the said event.

- *Impact Assessment of the Agricultural Production Support Services of the Department of Agriculture on the Income of Poor Farmers/Fisherfolk* was jointly organized with Philippine Institute for Development Studies last July 24, 2013 at the House of Representatives. As the last of three related seminars, the purpose of the discussion is to understand the impact of different expenditure items on agriculture on rural incomes and productivity. As such, it provides general guidance for responsible budget allocation that will help hurdle the constraints to agricultural development. Dr. Roehlano M. Briones, a Senior Research Fellow of PIDS, was the resource speaker in the said event.
- *A Dialogue on Local Education Governance* was organized jointly with the Coalitions for Change in Education thru the Jesse M. Robredo Institute of Governance, and was held last October 23, 2013 at the House of Representatives. The seminar broadly aims to discuss the needs and issues of local governments with regard to sustaining the gains achieved in local education programs and policies, in particular with local school boards and the use of Special Education Fund. This knowledge exchange gathered valuable inputs towards the development of a policy that will enable long-term capacity-building for better education outcomes. Resource persons to the forum were Dr. Francisco Magno of DLSU-Jesse M. Robredo Institute of Governance, Mr. Jesus L.R. Mateo - Assistant Secretary of Department of Education, Dr. Anne K. Candelaria of Ateneo de Manila University and former Executive Director of Ateneo Center for Educational Development.
- *Industry Roadmaps and National Industrial Development* was jointly organized by the CPBRD and the Philippine Institute for Development Studies last October 17, 2003. The forum was intended to foster open discussions on the Comprehensive National Industrial Strategy (CNIS), disseminate newly-framed industry roadmaps, and surface legislative implications of the CNIS and other pertinent reform measures. Dr. Rafaelita M. Aldaba, Acting Vice-President of the PIDS, was the resource speaker in the said RTD.
- *High level meeting between COA and Congress officials*, held in February 2013, was attended by the House Speaker, Deputy Speakers, Chairpersons of major House Committees, COA Chairperson and Commissioners. Mr. Wayne Bartlett made a brief presentation on the results of a scoping study for greater COA-Congress cooperation. This study was commissioned by the Philippine-Australia Public Financial Management Program.

- *Scoping study for greater COA-Congress Cooperation* was a follow-through presentation of Mr. Wayne Bartlett before the Committee Secretariat. The study included the assessment of reports produced by COA and how these reports are used by Congress in legislative oversight. Mr. Bartlett also looked at the experiences of other countries particularly those that have Public Accounts Committee or its equivalent.
- *Public Financial Management Reforms*. In the light of recent reforms in the budget process, the CPBRD organized a learning session for House Secretariat on September 2013 (Special Order No. 84-13 SG). Resource persons came from the Department of Budget and Management while the Development Academy of the Philippines attended to the training needs of participants. The topics covered include Performance-Informed Budgeting, Treasury Single Account, Harmonized Account Codes, and Bottom up Budgeting Approach.
- *Promoting Good Governance through People's Freedom of Information (FOI)* discussed the legislative branch's efforts to pass a FOI law mandating the government to open public records for scrutiny. The paper also tackles the issues that continue to stall its passage such as 1) the disclosure of public contract/agreements, funds and guarantee provided to the private sector, 2) the exemptions from FOI due to national security, and 3) inclusion of the "Right to Reply" provisions. It contains ideas on increasing the likelihood of FOI's implementation success if enacted.

CPBRD officials were also tapped as resource persons, lecturers, discussants or panelists in the following events:

- Annual Seminar of the Council of Economics Educators (CECON), Inc. entitled "Economic Outlook 2013" (resource speaker on public sector outlook)
- Urbanization, a focus group discussion on framework and issues on three vulnerabilities (disaster, conflict and urbanization)
- Legislative forum to assess the accomplishments of the 15th Congress and develop recommendations for the 16th Congress
- Philippine Development Plan Regional Consultation: Quezon City (Region 4B)
- Executive Course for New Members of the 16th Congress; resource speaker on "*The Priority Development Assistance Fund*"
- Basic Investigative Reporting: Political Clans, Governance, and Journalists' Safety; resource speaker on "*The Government's Purse: Tracking the State's Resources*"
- On-cam interview regarding the Philippine Economy featured in the IBC-13 TV segment "Special Report on SONA"
- Budget Briefing on the 2014 National Government Budget for the Minority House Members

- 4th National Multi-Sectoral Policy Conference on Human Development, panel of presenters on: (1) Good Governance; (2) Fiscal Reforms; (3) Labor; (4) Environment; and (5) Rural Development;
- 12th National Convention on Statistics, discussant to the "New PMT Model: Improving Targeting of the Poor for Social Protection"
- University Forum on the Framework Agreement on the Bangsamoro, expert analysis and remarks on "Wealth Sharing Scheme"
- NEDA-LEDAC Secretariat's Symposium/Orientation, resource speaker on Legislative Processes and Best Practices on Legislative Advocacy
- DLSU Issues Café's lecture on "Improving Income Distribution: An Economic Imperative"

A substantial portion of the work of the CPBRD is devoted to dealing with technical assistance requests from the Office of the Speaker and the House members. The requirements include drafting of speeches, preparation of briefing notes and memoranda, and participation in various technical working groups.

Draft Speeches, Briefing Notes

Speeches drafted:

- Speech for the Launching of the Council for the Architecture Profession
- Welcome remarks for the Pinoy Biotech Products Exhibit: Contributing to Sustainable Agriculture, Improved Health and Better Environment
- Statement of the Philippine Head of Delegation- 21st Annual Meeting of the Asia Pacific Parliamentary Forum, 27-31 Jan 2013
- Speech for the Breaking through to Sustainability, MDG Status and the Post 2015 Agenda
- Welcome address to US Congressional Delegation
- Speech for the Hosting of Luncheon during the GOPAC 5th Global Conference on Anti-Corruption
- Welcome Address for the Opening Ceremony of the GOPAC 5th Global Conference (Anti-Corruption)
- Recollection 1081 Clear and Present Danger (Martial Law)
- Speech for the Acceptance of Citizen's Agenda for MDG Achievement
- Closing Remarks Before the Adjournment of Session, 3rd Regular Session of the 15th Congress
- Question and Answer for Citibank's Economic Briefing for 2013
- Speech for the Arangkada Philippines Forum: Realize the Potential
- Speech for the Awarding of the Outstanding Sanggunian Bayan, Panlungsod (PCL-LLA) and Ten Outstanding Councilors of the Philippines
- Keynote Speech for FFCCCII (Filipino-Chinese Chambers) 29th Biennial Convention
- Closing Remarks of the 3rd Regular Session of the 15th Congress
- Opening Remarks of the 16th Congress
- Presentation of the New Criminal Code Bill: *"Codification Program, Criminal Code Reform"*
- Speech for the Wallace Business Forum

- Opening Message for the Meeting of Cabinet Secretaries and LP Representatives
- Speech for the League of Barangays of the Philippines, 29 Aug 2013
- Speech for the Foundation for Economic Freedom on Constitutional Amendments of Economic Provisions
- Speech for the 34th ASEAN Inter-Parliamentary Assembly (AIPA), Brunei Darussalam
- Speech for the 4th National Multisectoral Policy Conference of PLCPD
- Speech for the Makati Business Club on Legislative Priorities for Inclusive Development
- Remarks Before the 1st Break of the 16th Congress
- Speech for the US-ASEAN Business Council
- Speech for the PCCI's 39th Philippine Business Conference- Regulatory and Legislative Reforms
- Speech for the Banco De Oro Economic Briefing
- Acceptance Speech for the FES' Freedom Flame Ceremony
- Statement on House Resolution No. 1- Constitutional Amendments

Briefing Notes for the following:

- IMF Article IV Consultation Meeting, Courtesy Call Regarding Macroeconomic and Fiscal Performance
- 21st Annual Meeting of the Asia Pacific Parliamentary Forum in Russia
- Meeting with DDG Tanaka of Japanese METI
- Meeting with Standards and Poor's (S&P) on Credit Rating and Relevant Legislative Priorities
- Money Laundering for the FATF-ICRG On-Site Visit
- Challenges on Inequality in the Philippines
- Meeting with Moody's Investor Service
- US-ASEAN Business Council Meeting
- BSP Charter Amendments
- Proposed Amendments to the Economic Provisions of the Philippine Constitution
- DBCC Meeting on the 2014 Budget
- Mindanao Budget and Socioeconomic Data
- Highlights of the President's 2013 State of the Nation Address
- Practices of ASEAN central banks to obtain information from the public
- Proposed Amendments to the BOT Law
- Fiscal Sector Performance
- Fiscal Incentives to the Mining Industry

OTHER TECHNICAL ASSISTANCE

- In partnership with the Committee on Affairs Department (CAD) and the Office of the Secretary-General, the CPBRD also made significant contributions in the preparation of the Legislative Agenda for the 16th Congress (from the

Secretariat's perspective). The specific chapters that were assigned to the CPBRD are the following:

- Promoting Good Governance and the Rule of Law
 - Mobilizing Revenues
 - Ensuring Public Order, Peace and Security
 - Enhancing Agriculture and Fisheries Productivity
 - Unleashing Land Productivity
 - Ensuring Environmental Sustainability
 - Expanding Access to Health Towards Higher Productivity
 - Revitalizing Education for a more Competitive Human Resource
 - Enhancing Social Protection
- Provided inputs in the updating of following chapters of the 2011-2016 Philippine Development Plan of NEDA:
- Legislative Agenda (Chapter 5) – Competitive and Sustainable Agriculture and Fisheries Sector
 - Legislative Agenda (Chapter 6) – Unleashing Land Productivity
 - Legislative Agenda (Chapter 7) – Ensuring Environmental Sustainability
 - Legislative Agenda (Chapter 8) – Revitalizing Education for a Competitive Human Resource
 - Legislative Agenda (Chapter 9) – Expanding Access to Health
 - Legislative Agenda (Chapter 10) – Enhancing Social Protection

OTHER PROGRAMS AND PROJECTS

Apart from the Department's regular workload, the following priority projects were rolled out in 2013:

- The CPBRD has developed and launched online its official website (www.cpbo.gov.ph). The website has made accessible online all the CPBRD publications, relevant statistics and other information about activities and services provided by the Department. The CPBRD undertakes regular maintenance, updating of website content, and improvement of functionality of the CPBRD website. Also coordinated with Knowledge Management Systems Bureau for the CPBRD website to have a link at the Congress website homepage.
- Updating of content and maintenance of web platform for the CPBRD-PIDS Electronic Resource Base for Legislation (ERBL). The website provides information of major economic bills being considered in both Houses of Congress, as well as related policy researches studies from member-research institutions to encourage more discussion and debate on pending bills.
- Updating and uploading of latest CPBRD publications on the Socio-Economic Research Portal for the Philippines (SERP-P) of the Philippine Institute for

Development Studies. SERP-P is an online electronic database of completed, ongoing and pipeline research studies related to economic development and policymaking in the Philippines. It links various socioeconomic studies implemented by various research institutions such as the CPBRD, government agencies and the academe.

- Development of a Congressional Districts Coding Standard (CDCS). The CDCS is a template for the data-generation/processing of information already available in the National Household Targeting System (NHTS) of the Department of Social Works and Development (DSWD) at the congressional level. Since the data entries will be standardized using NSCB's Philippine Standard Geographic Codes (PSGC), the NHTS database can be complemented or supported by other household data surveys, e.g. FIES, APIS among others, using the same codes. Hence with the CDSC, we can ensure inter-operability of data sets between and among code users.

- Completion of a scoping study for Congress-COA Cooperation for Budget Oversight.

In support of its technical work, the CPBRD maintains and regularly updates a databank of socio-economic statistics. Technical staff also monitor issues concerning the sectors they handle. These activities facilitate the preparation of various research works. Statistical data being regularly collected and processed include:

- Fiscal statistics, to include: revenues, expenditures, debt and borrowings, details of the Cash Operations Report (COR), local fiscal statistics
- Poverty/Household Income and Expenditures, Social Health Insurance, Rice Importation, Growing Demand for Quality Education Worldwide
- National Income Accounts, Inflation Rate, Exchange Rate, Interest Rate, Financial System, Trade and Tourism, OFW Remittances, Infrastructure
- Updating of statistics on social development (*labor/wages, poverty/income, education, CCT, health financing*) and rural development

Correspondingly, CPBRD officials and staff continue to look for training opportunities to enhance technical skills to further improve the quality of research work and the technical assistance provided to the House members.

To enhance efficiency, the CPBRD is also committed to continually improve its processes such as sharing of information and resources among the three service desks as well as monitoring status of activities. Some of these initiatives include:

- Development of a Manual of Style, and standardization of the layout format for all CPBRD publications
- Implementation of the digitization of relevant correspondence in the Office of the Director General
- Improvement in the tracking system through the maintenance of the following databases:
 - CPBRD correspondences and meetings attended by the staff

- Books, reports, publications transmitted to CPBRD and materials collected from meetings/fora
- Directory of government offices, multi-lateral organizations, and other agencies
- Daily reporting via email to all CPBRD staff of the following: memo, SO, notices within HOR, current schedule of meetings of staff, and reports and publications received
- Use of third party software applications like Dropbox for file management
- Organization of office library for CPBRD collections