

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'22 OCT -5 P5:51

SENATE
S.B. No. 1366

RECEIVED BY: _____

Introduced by **SENATOR IMEE R. MARCOS**

AN ACT
MANDATING THE SECRETARIES OF THE DEPARTMENT OF FINANCE,
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, AND DEPARTMENT
OF BUDGET AND MANAGEMENT, AND THE GOVERNOR OF THE BANGKO
SENTRAL NG PILIPINAS, TO APPEAR SEMI-ANNUALLY BEFORE CONGRESS
TO REPORT ON THE STATUS AND DIRECTIONS OF THE FISCAL AND
MONETARY POLICIES OF THE STATE

EXPLANATORY NOTE

Article II, Section 19 of the 1987 Constitution provides that, "*The State shall develop a self-reliant and independent national economy effectively controlled by Filipinos.*" Further, the Constitution mandates the adoption and implementation by the State of policies for full disclosure of all transactions involving public interest.

This bill aims to promote greater transparency and public accountability in the formulation and implementation of the executive department's economic policies by requiring the Secretaries of the Department of Finance, National Economic and Development Authority, Department of Budget and Management, and the Governor of the *Bangko Sentral ng Pilipinas*, or their duly authorized representatives, to appear before both houses of the Congress biannually to report on the current status and directions of the fiscal and monetary policies of the national government. The concerned government agencies will also be required to submit reports to apprise the Congress of the real fiscal condition of the economy.

Thus, the immediate passage of this bill is earnestly sought.

IMEE R. MARCOS



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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Short Title.** – This Act shall be known as the "*Fiscal and Monetary*
2 *Report Act*".

3
4 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to
5 submit to full public disclosure, subject to reasonable conditions prescribed by law, all
6 its transactions involving public interest, as provided for under Section 28, Article II of
7 the 1987 Philippine Constitution, and recognize the significance of fiscal and monetary
8 policies as factors affecting the development directions of the country.

9
10 **SEC. 3. Appearance before Congress.** – The Secretaries of the Department of
11 Finance (DOF), National Economic and Development Authority (NEDA), Department of
12 Budget and Management (DBM), and the Governor of the Bangko Sentral ng Pilipinas
13 (BSP), or their designated representatives, shall appear before the House of
14 Representatives and the Senate biannually, on or before the last Tuesday of May and
15 during the Development Budget Coordination Committee (DBCC) Budget Briefing each
16 year to report on the status and directions of the fiscal and monetary policies of the
17 government, economic developments, prospects for the future, and other related data
18 taking into account past and prospective developments in employment, unemployment,
19 production, investment, real income, productivity, exchange rates, debt, international
20 trade and payments, and prices.

1 **SEC. 4. Reports.** – As provided in this Act, the reports shall be as follows:
2

3 (a) The Secretary of Finance shall submit to the House of Representatives and
4 the Senate a written report, which may be in digital format and may be
5 submitted electronically, on the conduct of fiscal policy, which shall include,
6 but shall not be limited to the following:
7

- 8 i. Consolidated Public Sector Financial Position;
- 9 ii. National Government Debt Service Expenditures;
- 10 iii. Foreign and Domestic Borrowings;
- 11 iv. National Government Revenues;
- 12 v. National Government Financing Program and Outstanding Debt;
- 13 vi. Fiscal obligations and contingent liabilities, including, but not limited to:

- 14 1. Summary of payment obligations and contingent liabilities arising from
15 Public-Private Partnership (PPP) contracts entered into by agencies
16 authorized under Republic Act No. 6957, as amended by Republic Act
17 No. 7718, the revised NEDA Joint Venture Guidelines, the Special
18 Charters and/or Joint Venture Guidelines of Government-Owned
19 and/or Controlled Corporations (GOCCs), and local PPP Ordinances. All
20 agencies implementing the foregoing contracts are hereby directed to
21 submit a copy of the said contracts and a quarterly report on the status
22 of payment obligations and contingent liabilities arising from each
23 contract to the DOF and to the PPP Center.;
- 24 2. Loans contracted and liabilities incurred by GOCCs or by government
25 financial institutions (GFIs) which were guaranteed by the national
26 government;
- 27 3. Guarantee programs Implemented by GOCCs and GFIs;
- 28 4. GFI-guaranteed private loans which were subsequently transferred to
29 and assumed by the national government by virtue of Proclamation
30 No. 50, Administrative Order No. 64 s.1988, and other similar statutes
31 or issuances;
- 32 5. Government insurance programs;
- 33 6. Other potential losses arising from indemnities, pending litigation, and
34 other circumstances relating to claims and assessments in respect of
35 breach of contract, damages to persons and property, and similar
36 items; and
37

38 vii. Other information that may be requested by the Committees specified in
39 Section 3 of this Act.
40

41 (b) The Secretary of the NEDA shall submit to the House of Representatives and
42 the Senate a written report, which may be in digital format and may be
43 submitted electronically, regarding developments and prospects in the
44

1 macroeconomy and labor market which shall include, but shall not be limited
2 to the following:

3
4 i. Macroeconomy

- 5 1. Gross National Income
6 2. Net Primary Income
7 3. Gross Domestic Product

8
9 ii. Labor and Employment;

- 10 1. Unemployment
11 2. Youth Unemployment
12 3. Underemployment

13
14 iii. Poverty statistics; and

15 iv. Other information that may be requested by the Committees specified in
16 Section 3 of this Act.

17
18 (c) The Secretary of Budget and Management shall submit to the to the House
19 of Representatives and the Senate a written report, which may be in digital
20 format and may be submitted electronically, which shall include, but shall
21 not be limited to the following:

22
23 i. Status of Expenditure Program;

24 ii. Status of Disbursement;

25 iii. Debt Service Expenditures;

26 iv. Outstanding Domestic and Foreign Debt from Regular and Assumed
27 Liabilities of the National Government; and

28 v. Other information that may be requested by the Committees specified in
29 Section 3 of this Act.

30
31 (d) The Governor of the BSP shall submit to the to the House of Representatives
32 and the Senate a written report, which may be in digital format and may be
33 submitted electronically, which shall include, but shall not be limited to the
34 following:

35
36 i. Monetary aggregates and their components;

37 ii. Balance of payments of the Philippines;

38 iii. Headline and Core Inflation Rates;

39 iv. Volume and value of exports and imports;

40 v. Financial Condition of the BSP and the Philippine Banking System;

41 vi. Government receipts and expenditures and on the status of the public
42 debt, both domestic and foreign;

- 1 vii. Major legal and administrative measures adopted by the government and
2 the Monetary Board during the year which relate to the functions or
3 operations of the BSP or of the financial system; and
4 vii. Other related information that may be requested by the Committees
5 specified in Section 3 of this Act.
6

7 **SEC. 5. Full Disclosure and Cooperation.** – All relevant government agencies are
8 hereby directed to cooperate and submit to the DOF, NEDA, DBM, and BSP, as may be
9 applicable, all necessary documents for the abovementioned agencies to comply with
10 their obligations under this Act.
11

12 **SEC. 6. Public Access to Information.** – The DOF, NEDA, DBM, and BSP shall
13 make available copies of the reports submitted to Congress in their official websites
14 within seven (7) working days following the submission of their respective reports.
15

16 **SEC. 7. Violations and Persons Liable.** – Any person who performs or causes the
17 performance of the following acts shall be liable:
18

- 19 (a) Failure of head of the agency or his/her duly authorized representative to
20 appear before Congress as required under Section 3 of this Act;
21 (b) Failure of the head of the agency to submit the necessary reports as required
22 under Section 4 and 6 of this Act;
23 (c) Failure of the head of the agency to submit the necessary documents under
24 Section 5 of this Act.
25 (d) Failure of the head of the agencies mentioned under Section 4 (a)(vi)(1) to
26 submit a copy of PPP contracts and a quarterly report on the status of obligations
27 and contingent liabilities arising from each PPP contract to the DOF and to the
28 PPP Center;
29 (e) Failure of the head of the agency to make available copies of the reports
30 submitted to Congress in their official websites within seven (7) working days
31 following the submission of their respective reports as required under Section 6
32 of this Act.
33

34 **SEC. 8. Penalties and Liabilities.** – Any violation of the preceding actions shall
35 warrant the following penalties and liabilities:
36

- 37 (a) First Offense: Six (6) months suspension.
38 (b) Second Offense: Dismissal from service, perpetual disqualification from
39 holding public office and forfeiture of retirement benefits and imprisonment of
40 one (1) year to six (6) years with a fine of not less than Five hundred thousand
41 pesos (P500,000.00), but not more than Two million pesos (P2,000,000.00)
42

1 The liability of the public officer or employee or former public officer or employee
2 for the failure to comply with the provisions under this Act shall survive the retirement
3 or resignation of said public officer or employee.
4

5 **SEC. 9. *Implementing Rules and Regulations.*** - Within ninety (90) days from the
6 effectivity of this Act, the DOF, NEDA, DBM, and BSP, in consultation with other relevant
7 government agencies, shall promulgate the rules and regulations to effectively
8 implement the provisions of this Act.
9

10 **SEC. 10. *Separability Clause.*** – If any provision of this Act shall be held
11 unconstitutional, the remainder of the Act not otherwise affected shall remain in full
12 force and effect.
13

14 **SEC. 11. *Repealing Clause.*** – All existing laws, presidential decrees, executive
15 orders, proclamations, or administrative regulations that are inconsistent with the
16 provisions of this Act are hereby amended, modified, superseded, or repealed
17 accordingly.
18

19 **SEC. 12. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its
20 publication in the Official Gazette or in at least two (2) newspapers of general
21 circulation.
22

Approved,