

**PRESIDENTIAL COMMUNICATIONS OFFICE**

**NEWS AND INFORMATION BUREAU**

**Press briefing of executive secretary Lucas p. Bersamin, Department of Finance Secretary Ralph G. Recto, Department of Budget and Management Secretary Amenah F. Pangandaman, National Economic and Development Authority Secretary Arsenio M. Balisacan and Department of Public Works and Highway Secretary Manuel M. Bonoan**

**DECEMBER 30, 2024 [9:57 A.M. – 10:46 A.M.]**

**PCO ASEC. DE VERA:** Magandang araw, Malacañang Press Corps. Welcome sa ating press briefing ngayong araw, December 30.

Pirmado na ni Pangulong Ferdinand R. Marcos Jr. ang 2025 General Appropriations Act. Layunin ng national budget na ipagpatuloy ang nasimulang mga proyekto ng Marcos administration sa ilalim ng Philippine Development Plan 2023 to 2028.

Kasama natin ngayon para magbigay ng karagdagang detalye sa 2025 National Budget ay sina Executive Secretary Lucas P. Bersamin; Department of Finance Secretary Ralph G. Recto; Department of Budget and Management Secretary Amenah F. Pangandaman; National Economic and Development Authority Secretary Arsenio M. Balisacan; and Department of Public Works and Highways Secretary Manuel M. Bonoan.

Good morning to our guests. May we ask Secretary Recto for his opening statement.

**DOF SEC. RECTO:** Thank you very much. Magandang umaga po sa inyong lahat.

We are happy to announce that the President just signed into law the 6.326 trillion national budget for 2025 which we have carefully studied line by line. This is the government's most powerful tool to deliver the biggest growth and economic benefits for the Filipino people for next year.

Makakasiguro po ang taumbayan na kami sa Department of Finance, lalo pa naming pagbubutihin ang aming trabaho para mapondohan ang mga proyekto't programa sa ilalim ng ating national budget.

To put it into perspective, the 2025 National Budget, as I said earlier, stands at 6.326 trillion of which only 4.64 trillion are supportable by revenues. Ibig sabihin, sa susunod na taon, ang gastusin ng gobyerno ay aabot sa 17.3 billion kada araw but only 12.72 billion per day will be financed by revenue collections every 24 hours. Kaya naman sa laki po ng aming responsibilidad, bente kwatro oras din magtatrabaho ang DOF para matugunan ang ating pangangailangan. At titiyakin namin na ang bawat sentimo ay mapupunta sa tamang proyekto't programa para sa bayan.

Next year, we will strive to not just meet but exceed our revenue target to generate more resources just as our strong fiscal performance this year has demonstrated. I am happy to announce that total revenue collection for 2024 is expected to reach 4.423 trillion, surpassing the full year target of 4.27 trillion.

As a percentage of GDP, the emerging revenues will climb to 16.7% -- the highest in the last 27 years -- and our emerging non-tax revenues for 2024 are expected to reach 606.6 billion -- the highest ever recorded. These are all because of the hard work and contribution of the Bureau of Internal Revenue, the Bureau of Customs, the Bureau of the Treasury, our privatization team and our GOCCs. So, rest assured, we will work doubly hard to sustain this momentum and adhere to our medium-term fiscal program that reduces our deficit and debt gradually in a realistic manner while creating more jobs, increasing our people's incomes and decreasing poverty in the process.

And on behalf of the economic team, we assure you that from hereon, things will just get better because we have a government that works nonstop to deliver the benefit that will keep us progressing as a nation every day.

Maraming salamat po. Mabuhay ang Bagong Pilipinas. Manigong Bagong Taon sa inyong lahat.

**PCO ASEC. DE VERA:** Thank you, Secretary Recto. May we ask Secretary Pangandaman.

**DBM SEC. PANGANDAMAN:** Good morning. *Assalamualaikum Warahmatullahi Wabarakatuh.* Happy New Year po sa ating lahat. *Alhamdulillah* at may budget na po tayo for 2025.

First of all, we would like to thank our President, President Ferdinand R. Marcos Jr. for personally being on top of reviewing the bicameral committee's version of the budget. While the congress' version was quite different from the proposed budget that we submitted, we are grateful and relieved that the President has made sure that we do not end up with a re-enacted budget. As you know, the power of the purse is with the congress because congress is supposed to be the voice of the people. Hence, the Department of Budget and Management, and even the President himself, can only submit a proposed

budget to congress and in the end, because we have a democratic process that we must follow and respect, we can only exercise what the constitution provides which is to veto certain items of the budget.

After a careful review by the agencies concerned and with the guidance of our Executive Secretary who is a former chief justice of the Supreme Court, the President ensured that the budget remained true to our constitutional mandates while exercising his veto power to ensure that the budget ultimately continues to be directed to meeting our agenda for prosperity.

Nakikinig po ang ating Pangulo sa taumbayan, that is why among others and program appropriations which increased by over 300% in the bicam version of the budget have been greatly reduced by direct veto. There will also be a conditional implementation of Ayuda sa Kapos ang Kita Program o AKAP. Let us enter the new year with renewed hope and determination to achieve the goals towards a Bagong Pilipinas that we all aspire for.

On our end, patuloy pa, patuloy lang po kaming magtatrabaho para sa mas magandang kinabukasan ng ating mga mamamayan at sa kaunlaran ng ating bayan. Maraming salamat po.

**PCO ASEC. DE VERA:** Thank you, Secretary Pangandaman. Secretary Balisacan?

**NEDA SEC. BALISACAN:** Good morning, everyone. Let me express our gratitude to both chambers of congress for their timely and diligent efforts in scrutinizing, formulating and ensuring the passage of the 2025 General Appropriations Act. Their unwavering commitment to completing this critical task underscores the strength of our collective resolve in advancing the nation's development goals and President Ferdinand R. Marcos Jr's socio-economic agenda.

The 2025 GAA supports the goals outlined in the Philippine Development Plan 2023-2028, including attaining our medium-term growth targets as approved by the Development Budget Coordination Committee.

The budget prioritizes strategic investments and social services with substantial allocations to education, health and social welfare programs and infrastructure projects to boost growth and inclusion. These investments are crucial for achieving the PDP's targets related to human capital development and poverty reduction.

In line with our commitment to public welfare and fiscal responsibility, the President, as we have heard this morning, has judiciously vetoed certain line-items in the budget and set specific conditions for implementing certain programs and projects including requiring the issuance of guidelines and compliance with pertinent laws, policies, rules and regulations.

This decisive action demonstrates the administration's commitment to our fiscal program by ensuring that planned spending remains within the target deficit ceiling, keeping us on track to meet our medium-term fiscal targets. At the same time, by tightening the conditions for utilizing the budget for various programs, the President ensures that the maximum benefits reach those most deserving of social protection, particularly the near poor. This approach supports inclusive growth by ensuring that economic benefits reach the lower income segment of society, directly contributing to the PDP's goals of reducing poverty and improving the quality of life for vulnerable populations.

As we roll out these projects and programs in the coming year, close collaboration between the Executive and Legislative branches remains vital. The coming year 2025 marks a pivotal moment for our country as we enter the midterm of the Marcos administration. This milestone is an opportune time to assess our progress. As we continuously recalibrate our strategies, we assure our fellow Filipinos that we will sustain our gains and accelerate our efforts in areas where we need to catch up to meet our development targets.

With today's ceremonial signing of the GAA, we reaffirm our commitment to building a matatag, maginhawa at panatag na buhay for all Filipinos. Let us move forward with optimism and determination ensuring that every peso of the national budget translates into impactful programs and services that improve the lives of our people.

Thank you and good morning once again.

**PCO ASEC. DE VERA:** Thank you, Secretary Balisacan. May we ask Secretary Bonoan, for his opening statement.

**DPWH SEC. BONOAN:** Good morning everybody. We just like to express how deeply we are honored for the full trust and confidence that President Ferdinand R. Marcos Jr., and our legislators have extended to the Department of Public Works and Highways through the fiscal year 2025 budget. We are aware that every peso allocated to the Department of Public Works and Highways Projects represents the hard-earned contributions of the Filipino people.

It is therefore our responsibility to ensure that these funds are used wisely and efficiently as well as professionally in the most transparent manner, proving ourselves deserving of the trust placed on us. We are committed to making every cent of their contributions worth by delivering quality infrastructure that drives the national progress.

With this, we are tasked to implement more infrastructure projects that are crucial for the socio-economic development of our country. We are prepared to face potential challenges that arise and remain steadfast in applying the significant lessons that we have learned over the years as we moved forward to another year of service. Rest-assured that the Department of Public Works and Highways will continue to work diligently in support of the Bagong Pilipinas agenda advancing infrastructure that uplifts the lives of our fellow Filipinos. Mabuhay ang Bagong Pilipinas. Maraming salamat po.

**PCO ASEC. DE VERA:** Thank you very much, Secretary Bonoan. We are opening the floor for questions from our Malacañang media friends. Pia Gutierrez, ABS-CBN.

**PIA GUTIERREZ/ABS-CBN:** Good morning po. May we ask ano po iyong mga significant line item veto na ginawa ng Pangulo?

**DBM SEC. PANGANDAMAN:** Roughly, P26 billion, under the Department of Public Works and Highways, direct veto iyon. Bawat isang project po ay tinanggal natin. Maybe, I can ask Secretary Manny Bonoan to explain, anu-anong klaseng mga proyekto ito.

**DPWH SEC. BONOAN:** Many of the projects that have been vetoed are actually some of the projects that we considered that are not totally supportive to the eight-point socio-economic agenda of the government, of this administration. And besides, I think many of these projects are projects that need to be scrutinized and ready for implementation. These are some of the projects that are not ready for implementation at this point in time. So, these are projects that we have actually deferred.

**DBM SEC. PANGANDAMAN:** And then, there's 168 billion worth of projects that are unprogrammed appropriations po. Inisa-isa po natin iyan. Kasi nadagdagan po siya. When we did the NEP, we see to it that iyong UA natin, you know iyong UA po kasi standby appropriation iyan, 'di ba parang contingent funds. So, generally, I mentioned this many times, generally and contingent po or iyong parang ano po is just five, at least five percent of the total budget. Iyan din po iyong itinuro sa atin noong nagkaroon tayo ng consultations with IMF-World Bank.

So, during the NEP po, it's less than 5%, napakaliit, it's 178 billion pesos. But, nung napasa na po siya ng Bicam, nag-increase po siya ng 300%. So, it's almost 10% of the total budget. So, nung nakita po namin

iyon, binawasan po namin, just to be consistent with the 5%, iyong parang standby fund. So, now, it's roughly 4.7% of the total budget.

**PCO ASEC. DE VERA:** Thank you, next question, Ivan Mayrina, GMA-7.

**IVAN MAYRINA/GMA-7:** Can I ask, sa final version, magkano na po ang budget ng Education versus Public Works kasi isa po ito sa mga pinupunto na posibleng constitutional infirmity ng budget?

**DBM SEC. PANGANDAMAN:** Maybe Executive Secretary can further expound later. Ang nakalagay po, is not the department, hindi naman po nakalagay doon na dapat Department of Education, it's the sector. So, I have here po the top ten na pagkakasunud-sunod po, iyong sa pinakamataas na budget. Dito po makikita natin, na una ang education pa rin po, it's P1.053 trillion while the DPWH po is P1.034 trillion po. Iyan po, so nauna na po ang education.

**IVAN MAYRINA/GMA-7:** Secretary, may we get the breakdown doon sa education po?

**DBM SEC. PANGANDAMAN:** Yes, we will provide po. Magbibigay po kami.

**IVAN MAYRINA/GMA-7:** So, ang nangyari po, Secretary, we had to—so iyong mga veto under DPWH, kaya umangat po relatively iyong education's budget?

**DBM SEC. PANGANDAMAN:** Yes po, kasi nabawasan din po ng mga P26 billion, iyong DPWH Project.

**IVAN MAYRINA/GMA-7:** Right, thank you.

**PCO ASEC. DE VERA:** Tristan Nodal, NewsWatch Plus.

**TRISTAN NODALO/NEWSWATCH PLUS:** Hello, good morning po. Ma'am, you have mentioned iyong conditional implementation of AKAP. So, ano po ang nangyari doon sa pondo ng AKAP na which was questioned before iyong P26 billion both sa House and Senate? So, ano po iyong conditional implementation, what does it actually mean?

**DBM SEC. PANGANDAMAN:** Iyong AKAP po, it's still there. It's just bago po natin ma-release iyong pondo, we need to issue guidelines po, together with DSWD, DOLE and NEDA po, para maging consistent iyong pagbibigay ng AKAP doon po sa gusto nating mangyari doon sa tamang recipients, hindi po magkadoble-doble iyong binibigay natin na mga cash assistance. So, si Sec. Arse Balisacan po ang kasama na po ngayon sa pagde-define nung paglabas ng pondo ng AKAP.

**TRISTAN NODALO/NEWSWATCH PLUS:** One follow-up lang po kay Sec. Bonoan, iyong sinabi po ninyo iyong mga hindi priority ng administration iyong natapyas sa DPWH budget, But basically, what kind of projects are these? Ito po ba ay mga kalsada, basketball court or ano po ba, sir?

**DPWH SEC. BONOAN:** Marami kasi iyong mga local projects, actually that are not ready for implementation and it will take us sometime anyway to make sure na ma-implement namin kaagad. So, these are the things na nakita namin that I think we can postpone it for the time being. Iyong mga projects na iyon, mostly local projects actually.

Not necessarily roads, pati may mga buildings and other local infrastructure na—there are some projects that are (unclear) that we cannot immediately implement, anyway.

**ACE ROMERO/PHIL. STAR:** May I just ask, because the President vowed to restore the budget cuts in DepEd. So, how did we manage to do that?

**DBM SEC. PANGANDAMAN:** Under the constitution po, kung ano po iyong napasa ng Kongreso, iyon na po iyon, we can only veto line-items or projects, but we cannot add po. However, under the budget, may mga certain funds naman tayo diyan na puwede tayong mag-augment ng ating budget. For example, iyong unprogrammed appropriations, iyan ang magandang used ng UA, as long as mayroon tayong additional revenue from the DoF, we can actually augment or increase the budget of DepEd specifically for computerization program.

**ACE ROMERO/PHIL. STAR:** So, kasi hindi naman pwedeng mag-realigned iyong executive, so puwede nating gawan ng paraan that way.

**DBM SEC. PANGANDAMAN:** Hindi na po, sa execution na lang po tayo, doon na lang po natin hahabulin iyong mga kulang sa DepEd.

**ACE ROMERO/PHIL. STAR:** Kay Executive Secretary, given all these changes and measures implemented by the President. Are you now confident that there will be no legal challenges to be triggered against the 2025 budget?

**ES BERSAMIN:** Yes, to answer your question, we are confident, but we cannot prevent if there will be challenges that will be mounted by any quarter who might still find this present budget as approved worthy of the challenge. But, that is something that we cannot prevent. But, I am confident that we worked very hard on this and that our efforts will be validated by any kind of lack of challenge. So, we are not going to encourage the challenge.

**PCO ASEC. DE VERA:** Jinky Baticados, IBC-13.

**JINKY BATICADOS/IBC-13:** Hi! Good morning, secretaries. Let me just ask this po, ano po iyong pagkakaiba ng direct veto, conditional implementation and general observation?

**DBM SEC. PANGANDAMAN:** Ang direct veto po—sandaling lang, mayroon tayong notes dito. Ang direct veto is tatanggalin natin iyong mga exact programs and projects na nasa budget, delete as in mawawala na po siya, even the amount wala na rin po iyan. So, ibig sabihin po, iyong 26 billion na natanggal sa DPWH, bababa po iyong level ng budget natin ng by 26 billion pesos, iyon po ang ibig sabihin noon. So, iyon po ang direct veto.

Ang conditional implementation po is hindi po natin kaagad-agad maibibigay sa kanila iyong mga pondo dahil kailangan maglabas pa po tayo ng guidelines at implementing rules bago natin mailabas iyan ng mga implementing agencies. So, kailangan po nila iyang gawin. Like iyong AKAP po, kailangan po umupo po ang DSWD, DOLE at saka NEDA for the guidelines and whatever safeguards na maupo po nila, bibigay po sa atin bago po natin ma-release iyong pondo ng AKAP, iyon po ang conditional.

Ang general observation po is, we would just like to ensure na 'pag in-implement nila iyong mga proyekto, consistent iyan sa kung ano ang batas, kung ano iyong mga mandato ng mga ahensiya, ganoon po iyon. So, iyon po iyong tatlo.

**JINKY BATICADOS/IBC-13:** Last, Secretary. Tumaas po ng 373 billion ang unprogrammed appropriations, paano tinitiyak ng pamahalaan na sumusunod ito sa mga provision ng constitution nagbabawal ng kongreso na taasan ang appropriation na lampas sa orihinal na mungkahi ng Pangulo?

**DBM SEC. PANGANDAMAN:** Ang unprogrammed appropriation po kasi, standby fund lang iyan; wala po iyan katapat na revenue. Kanina po na-explain po ni Secretary Recto iyan. So, tuwing mayroon lang pong additional revenue tayong mare-realize from the Bureau of Treasury, doon lang po natin iyan puwedeng i-release.

**JINKY BATICADOS/IBC-13:** Thank you, Secretary.

**PCO ASEC. DE VERA:** Next question, Harley Valbuena, DZME.

**HARLEY VALBUENA/DZME:** Hi! Good morning. May we know po kung sino iyong nag-allocate noong items sa DPWH and unprogrammed funds na bineto(veto) ng Pangulo? Are they part po noong original version noong national expenditure program na sinambit(submit) natin sa congress or initiative na po ng congress po?

**DBM SEC. PANGANDAMAN:** Initiative na po. Nakita na po namin siya sa bicam report. Unfortunately, po we are not ... hindi po namin alam kung kanino po iyong mga iyon, but it's a result of the bicameral conference committee. It's a collective decision of congress, according to our Supreme Court Justice and E.S. Ang seryoso ninyo naman kasi, ano ba iyan. Happy New Year, guys. We should be happy, we have a budget.

**EXEC. SEC. BERSAMIN:** I would just like to give context to that question ano. Iyong proposal of the budget comes or emanates from the executive, that is through the NEP, iyong National Expenditure Program. Once that NEP is submitted to the lower house, the lower house will schedule the hearing on the NEP. When the lower house finally approves or adds or subtract to the NEP, but must confront to the limitation in the constitution that it should not increase the [unclear] amount, the entire amount, then it becomes a GAB, General Appropriation Bill, and this is the one that will be transmitted to the senate for its own study of the proposal of the budget proposal.

And then, when the senate shall have been done with its duty, there will now be a bicameral conference committee that will tackle this. Now, I don't know if you can find in the records of the bicameral report or the bicameral report who proposed those increases. But that is to be respected, because they are the congress eh, they are the congress.

And the final product is, of course, this GAA. And the GAA was submitted to the executive as an enrolled bill and once it is submitted to the executive as an enrolled bill, the executive can no longer change that; congress can no longer change that. So, that is now what the President reviewed and the President was

personal and direct about the review and called on members of the cabinet to contribute to the effort of looking at the budget.

Now, with or without the course for review, the President and the cabinet went to that task, and I think we are happy about the result and we have come up with this. So, the approval of the budget by the Chief Executive happened before December 31, today that is the context.

**PCO ASEC. DE VERA:** Thank you, E.S. Next question, Eden Santos, Net25.

**EDEN SANTOS/ NET25:** Good morning po. Clarification lang po: Ibig sabihin iyong 10 billion po na budget ng DepEd, naibalik po iyon para doon sa—

**DBM SEC. PANGANDAMAN:** Hindi po, bawal po tayong magdagdag sa ano, bicameral committee report. Kung ano po iyong pinasa ng kongreso, iyon po. Hahanapan na lang po natin ng pondo sa—ito po sa pag-i-implement natin sa execution ng budget, maybe Secretary Recto would like to add.

**DOF SEC. RECTO:** Yes, that's correct. I think the President wants to prioritize the additional spending on education which is found in the unprogrammed portion of the budget. So, if there are excess revenues, we would immediately release that part of the budget. But I'd like to say also, that is the first time in our history that you have both the education sector and the capital outlay sector of the DPWH and the DOTr to hit a trillion pesos. So, that would augur well for the economy's growth for 2025.

**EDEN SANTOS/ NET25:** So, meaning po kaya tumaas iyong budget ng DepEd dahil nabawasan iyong DPWH, para lang masabi na mas mataas?

**DBM SEC. PANGANDAMAN:** Iyong sinasabi po kasi natin na budget ng DepEd, it remains the same. Pero iyong tumaas po kasi when we compute education sector po ang pinag-uusapan natin doon, it's not just the budget of the Department of the Education because you also have to consider may CHED po, education din po iyan; TESDA education din po iyan, marami pong mga—iyong mga SUCs natin. Marami pong mga ahensiya ng gobyerno na education din naman po iyong ano nila, iyong kanilang mandato kaya po tumaas iyon.

**EDEN SANTOS/ NET25:** So, ang malinaw po, gusto bang sumagot ni—sandali, ang malinaw po, Secretary Pangandaman, stay po iyong budget ng DepEd kaya lang siya lumitaw na siya pa rin iyong mataas kasi nababa iyong ... nabawasan iyong budget ng DPWH, iyon po iyong malinaw doon.

Next question ko po, doon sa pagbaba po ng ating 2025 national budget at na[unclear] iyong mga naisingit doon po sa bicam na wala NEP, wala po sa congress at senate version, wala naman po bang sumamang-loob ng mga senador, kongresista na may mga project pong naapektuhan doon po sa pagbaba ng budget? Anyone can answer po.

**EXEC. SEC. BERSAMIN:** You know, it's the President that proposes the budget and congress disposes the budget and it is the Executive or the President who executes the budget, okay. So, there is a process in budgeting as we also mentioned no. So, palagay ko maayos naman iyong budget for 2025 especially with the vetoed items, sinigurado ng Presidente iyong maipo-pondo natin, iyong mga karapat-dapat, consistent with the Philippine Development Plan. Walang ambiguous projects, walang mga proyekto na hindi sulit sa taumbayan, so to speak.

And I just want to add also, that even in the DPWH budget, mayroon diyan mga proyekto na school building. So, maaaring wala sa DepEd, education sector, mga nakalagay multi-purpose building, alam ko dahil ako naging congressman ako, naging senador ako. So, may mga pondo rin iyan sa DPWH that have to do with education as well, 'di ba.

**DBM SEC. PANGANDAMAN:** And I think, we are all in agreement that it's important to have budget 'di ba. All of us, that's why we went through that process because lahat po tayo gusto natin magkaroon tayo ng budget sa darating na taon.

Ayaw po natin ng reenacted budget dahil gusto po natin na tumaas ang ating ekonomiya. Hindi po tayo puwedeng bumalik doon sa level natin this year kasi bababa po. We all agree also that while the government expenditure is just 22% of the GDP, it also still contributes to our economy. So maybe actually, I can ask Sec. Arsi to talk about ang implication po ng reenacted budget kasi I think importante po ngayon is that mayroon po tayong budget for 2025.

**NEDA SEC. BALISACAN:** I think that has been explained by the President this morning sa speech niya 'no, saying, explaining why reenacted budget is not an option for this administration.

**ANNA BAJO/GMA NEWS ONLINE:** Good morning po, ma'am, sirs. Tanong ko lang po kung natuloy po iyong zero subsidy for PhilHealth under the approved budget?

**DBM SEC. PANGANDAMAN:** Again, kapag wala na po sa enrolled bill, wala po, wala po siya, hindi po natin puwedeng dagdagan po iyon.

**ANNA BAJO/GMA NEWS ONLINE:** Iyong sa intel and confidential funds po, was it lower from last year's? Kasi iyong DBM nagsabi po before na 16% lower siya for this year.

**DBM SEC. PANGANDAMAN:** Hindi pa po namin nako-compute iyong aggregate ng total CIF. We'll check it and maybe we'll provide you at a proper time.

**MARICEL HALILI/TV5:** Ma'am, follow up lang po sa PhilHealth. I understand kasi marami iyong may concern doon sa zero subsidy ng PhilHealth, and I understand, hindi naman siya puwedeng i-veto. So, is there another way on—

**DOF SEC. RECTO:** Well, my understanding is that congress did that because the budget for ... the corporate operating budget of PhilHealth is sufficient. So, they have reserved funds of roughly 280 billion. They have a surplus of roughly a hundred fifty billion, the last time I looked at it. They have investments of more than 400 plus billion. They will earn 200 billion in 2025. They will spend a hundred fifty billion, so iyong surplus nila, madadagdagan na naman ng 50 billion iyan. So, they have adequate resources.

Now, having said that, we in the Department of Finance next year, tututukan namin ang PhilHealth. We will make sure that we spend that budget better. Halimbawa, I'll give you an example, maybe we should concentrate on the top ten illnesses. Palagay ko, iyon lang, itaas natin hundred percent, two hundred percent benefit package of the top ten illnesses – malaki ang pakinabang ng taumbayan diyan. So, I don't think you have to increase 9,000 case rates.

Sa panganganak pa lang, ilan na ang case rate? 'Di ba ang alam ko sa panganganak, dalawa lang eh – caesarean at saka hindi caesarean 'di ba. Eh bakit sa PhilHealth dalawampu yata iyan eh 'di ba. So, we will ... tutukan namin ang PhilHealth next year.

**MARICEL HALILI/TV5:** Thank you, sir. Follow-up lang po doon sa conditional implementation. Aside from AKAP, mayroon pa po bang ibang program under conditional implementation?

**DBM SEC. PANGANDAMAN:** Yes po. One, two—hindi, sir, marami. One, two, three, four, five, six, seven, eight, nine, ten, eleven, twelve – twelve. We will distribute the veto message. We'll post it in our website. Napirmahan na po pero hindi pa nila nalalabas sa ano nila, sa office.

**MARICEL HALILI/TV5:** Ma'am, puwede bang ano, pa-enumerate lang iyong nga highlights, iyong mga ... in general na ... iyong conditional.

**DBM SEC. PANGANDAMAN:** DSWD – AKAP; DSWD OSEC also, iyong Payapa at Masaganang Pamayanan Program (PAMANA); sa DPWH OSEC, iyong definition on basic infrastructure program. Mayroon din po sa Office of the Ombudsman, payment of retirement benefits and pension, release of payment of retirements benefits and pensions. Sa Department of Agriculture po, on RCEF—hindi, natanggal na pala ito 'no. Tapos mayroon din po sa judiciary, Supreme Court of the Philippine and the lower courts, Special Provision # 7 on maintenance and other operating expenses of the lower courts. Sa calamity fund, NDRRMF, National Disaster Risk Reduction, mayroon din pong special provision diyan na may conditional. DOF, BOC, iyong rewards and incentive fund. And then, sa Congress of the Philippines, Special Provision # 6, availability of appropriations and cash allocations. Iyan po.

**MARICEL HALILI/TV5:** Thank you, ma'am.

**PIA GUTIERREZ/ABS-CBN:** Ma'am, may I know kung mayroon pong pagbabago sa budget ng Office of the President given na isa rin po sa pinaka na-criticize iyong increase ng OP budget doon sa ratified version?

**ES BERSAMIN:** Yes, as far as the budget of the OP is concerned, NEP was followed pero dinagdagan ng 5.2 billion pesos kasi may nangyari noong 2025. Iyong ASEAN 2026 would have been done in Myanmar pero biglang umayaw iyong Myanmar kasi walang may gustong pumunta roon na heads of state because you know the problem about Myanmar. So, komo alphabetical iyong sequence ng pagho-hold ng ASEAN, letter P, Philippines ay next – inako ni Presidente iyan. Kasi hindi maaaring payagan natin na walang ASEAN – that's a very important part of our international relations.

So ASEAN 2026 to be hosted by the Philippines, we needed to start the work now. So humingi kami after the submission of the NEP, humingi kami sa Congress ng supplemental funds in addition to what we proposed for the OP sa NEP to the tune of 5.2 billion pesos for 2025. After 2025, we will ask for more, bigger, but that will be in the NEP that will be submitted in 2025 for 2026.

**PIA GUTIERREZ/ABS-CBN:** So, in short, sir, retained iyong increases sa OP budget for 2025?

**ES BERSAMIN:** It's actually an increase over what we proposed originally sa NEP to the tune of 5.2 billion.

**PCO ASEC. DE VERA:** Ace Romero, Philippine Star.

**ACE ROMERO/PHIL. STAR:** Kay Secretary Pangandaman, as a background lang po. So, the projects that were subjected to conditional implementation, if these projects fail to satisfy the conditions, of course, there will be no release sa funds po?

**DBM SEC. PANGANDAMAN:** No release po.

**ACE ROMERO/PHIL. STAR:** What will happen to the fund, as a background lang po.

**DBM SEC. PANGANDAMAN:** No release, wala na po.

**ACE ROMERO/PHIL. STAR:** Saan na po mapupunta?

**DBM SEC. PANGANDAMAN:** Unreleased operation siya.

**ACE ROMERO/PHIL. STAR:** What will be the use?

**DOF SEC. RECTO:** It could help reduce the deficit.

**ACE ROMERO/PHIL. STAR:** Ah, for the—okay, ganoon na lang po. Follow-up lang po. How about po iyong expenditure sa Defense, given that we are also facing territorial defense challenges and internal security. Can you give us background on what happened to Defense spending?

**DBM SEC. PANGANDAMAN:** We just received the ano. I know that nabawasan po iyong AFP Modernization Budget from P50 billion sa NEP to P35 billion po ngayon. However, yearly naman po iyan, we try to—hinahabol po natin iyan, kumukuha po tayo sa unprogrammed appropriations for that purpose.

**PCO ASEC. DE VERA:** Leth Narciso, DZRH.

**LETH NARCISO/DZRH:** Good morning po, binanggit rin ni Presidente sa speech niya kanina, prayoridad iyong agriculture sector, partikular iyong mga pagtugon sa mataas na presyo at para mapababa ang presyo ng pagkain lalo na ang bigas. Ano pong mga programa ito?

**DBM SEC. PANGANDAMAN:** Iyong rice program po ng DA, medyo malaki po ang pondo natin diyan, may assistance po tayo sa mga farmers natin and then fisherfolks, and then mayroon po tayong post-harvest facilities and also, farm to market roads, mayroon din po tayong irrigation and then mayroon din po diyan iyong bagong batas po natin, iyong RCEP po, iyong bagong RTL natin, Sec.

**DOF SEC. RECTO:** More or less, you are talking about mga 250 billion iyan for DA. Plus, this year's budget na hindi pa naman nagagastos lahat.

**DBM SEC. PANGANDAMAN:** Hindi pa po.

**DOF SEC. RECTO:** So, essentially, it's a two-year budget allocation, 'di ba. So, the idea is to increase the productivity of your agriculture sector next year. Kumpleto naman iyong programa ni Secretary Kiko Laurel and we know that rice essentially, you need a lot of irrigation among others. So, it's properly funded.

**DBM SEC. PANGANDAMAN:** Yeah, ang agriculture po is number six pa rin po siya sa top ten.

**PCO ASEC. DE VERA:** Analy Soberano of Bombo Radyo?

**ANALY SOBERANO/BOMBO RADYO:** Sec. Amenah, good morning. Sinabi po ninyo na bawasan iyong AFP Modernization na budget na 35 billion. Ano po ang napasamang project ng Big ticket projects ng AFP na napasama po sa 35 billion na pondo?

**DBM SEC. PANGANDAMAN:** Wala pa iyon 'no. Mayroon po kasi tayong, mahabang proseso ito. Mayroon pong approved na, horizon 3 na tayo, so may listahan po iyan ng lahat ng mga kailangan nating i-purchase for the Defense sector. So, depende po kasi iyan kung nai-kontrata na nung Department of National Defense. So, ang ginagawa po nila usually, of course we have to note, that ano po iyan ha, more than a trillion yata iyong napirmahan na agreement, tama ba ako, Director? More than a trillion, because of lack of fiscal space also, naglalagay lang po tayo ng at least P50 billion, now P35 billion, so nirere-prioritize po ng Department of National Defense kung ano iyong babayaran nila, kasi medyo may proseso din po ang procurement ng defense equipment and ano.

**PCO ASEC. DE VERA:** Bea Cupin, Rappler.

**BEA CUPIN/RAPPLER:** Good morning po. I realized this quite advanced a question. But have there been discussions on how we prevent a situation like this from happening again, perhaps next year na kumbaga, we had to, you know, hold meetings over the holiday break and we had to postpone the signing because the budget, that the Congress approved did not aligned with the budget that the President prepared?

**EXEC. SEC. BERSAMIN:** Well, you have to understand, that question is to be explained in this way. We can avoid that by giving to Congress next year, sa next cycle ay NEP that is very comprehensive, but we usually do that. Now, it will be up to the temper of the congressmen who initiate the consideration of the budget and I hope that they will be conscientized because most of those that were taken off, probably, well you call them insertions, but that is too simplistic. They have their own priorities, which they could reflect into the legislative process. And that is what they did, they are within their rights to that.

But here comes now the President who says, where are now my legacy projects, my priority trust, they have given them to the back burner. So, that is what instigated the President to make cuts that did not reflect the concept in the proposed budget, through the NEP.

**BEA CUPIN/RAPPLER:** And, sir, if I may follow-up. How do we intend to check that temper considering, of course, it is dominated by allies with the President?

**EXEC. SEC. BERSAMIN:** You know, we do not check, except through veto. Because the enactment process is the exclusive prerogative of Congress. Iyong veto power of the President is the only way to check, that's post enactment.

But then we have this constitutional set up, that when the President exercises his right of veto, the message could be transmitted to the congress, to the lower house initially because that is the originating chamber of congress and they could have the override power. They could exercise that if they want to.

But usually, in a situation like this, I don't think I don't recall that an override has ever happened 'no. You know, these two branches of government, the legislative and the executive, they work very well in coordination and it's only when they are at loggerheads that you can expect a direct conflict. Pero your question is the theoretical 'no, more in the abstract so that's not easy to answer.

**PCO ASEC. DE VERA:** Alvin Baltazar, Radyo Pilipinas.

**ALVIN BALTAZAR, RADYO PILIPINAS:** Good morning po, secretaries. Just to give us some idea, gaano po ba naging kabusisi si Pangulong Marcos doon sa budget proposal? Gaano niya talaga binatayan, hands on, binantayan ni Pangulo, iyong budget proposal after dumaan sa bicam?

**EXEC. SEC. BERSAMIN:** Maybe, I will be the one to answer that. I assumed, as Executive Secretary, three months into his administration, and I have been here since then 'no, that was September—last part of September 2022. Mabusisi si Presidente mula sa umpisa, I can give you that assurance, that the President is very focus, very prudent—Ilocano eh. And I am quite happy to make that note 'no, to give that note because he always says 'what do we do with this, this is something that we cannot allow yet because we have lack of funds or etc. So, that is what motivates him. Maybe people do not see how he works, but he works very much way to the night and early morning.

**ALVIN BALTAZAR, RADYO PILIPINAS:** Follow up lang po. Secretary, follow up po. Doon po sa ibineto(veto) ni Pangulong Marcos, mayroon siyang, personal siyang nakakita, pero mayroon din ba kayong nakita na mukhang kinakailangang i-veto at nirekomenda ninyo kay Pangulong Marcos?

**EXEC. SEC. BERSAMIN:** Well, as the Chief Executive, he gives us the direction 'no. He has his own ways or means of saying this is excessive, this is not something we proposed etcetera. But when he said that 'let's take out things that did not emanate from the NEP or that exceeded the NEP or that took away from the NEP many, many items, etc., ang redirected them, well, we have to be guided by that kind of direction.

So, that is when the cabinet became very useful. Iyong sabi ni Secretary Bonoan just now, muntik nang hindi nag-Pasko. Ewan ko what he meant by that. But the cabinet and the President really acted together. You probably have seen the publications about the how we put or how we went to work, the economic teams especially because these matters are money matters.

**ALVIN BALTAZAR, RADYO PILIPINAS:** Samantahin ko na lang po kay Secretary Pangandaman. Secretary, puwede po bang paki-mention na lang po iyong top five na mga government agencies na may pinakamataas na allocation for 2025?

**DBM SEC. PANGANDAMAN:** Of course, iyong education, public works, health, DSWD, DILG, DA, DOTr, Judiciary, DOLE and Justice.

**ALVIN BALTAZAR, RADYO PILIPINAS:** Salamat po.

**PCO ASEC. DE VERA:** Before we close the days briefing, may we ask Executive Secretary Bersamin, for closing statement for the Filipino people?

**EXEC. SEC. BERSAMIN:** Thank you for your questions. Wala naman softball yata na binato ninyo ngayon ano. Maraming salamat at nagkaroon tayo ng ganitong pagkakataon upang magkaunawaan 'no, sa ganitong bagay napakamahalaga sa buhay ng ating bansa.

Ang budget, the GAA is always the most important bill that can be enacted by the congress and that can be approved by the President. Kaya mahalaga sa kanya na hindi reenacted ang ating budget sa darating na taon kasi malaki ang impact sa ating ekonomiya at ayaw niyang magkaroon ng lose momentum. So, itong mga tanong ninyo, sana magkaroon sila ng impact sa taumbayan upang maintindihan nila or maunawaan ang nangyari ngayong araw na ito.

Sa panawagan na ang budget natin ay isang budget na unconstitutional, nais ko pong sabihin sa inyong lahat na hindi po magkakaroon ng ganoon pagkakataon na unconstitutional ang budget. This is the interplay between the congress and the executive branch. Iyong pagsasabi na unconstitutional ito ay mangyayari lamang kung maghahain ng demanda sa judiciary the third branch of government.

Peronsa karanasan ko bilang dating miyembro ng judiciary, mahirap pong dalhin sa Supreme Court ito kung in good faith pareho iyong dalawang branches of government. Pero as I said in the beginning today, this morning, hindi natin mapipigilan kung mayroon mga quarters who would still like to be heard on this issue, but I hope they should not because that will be again distracting us.

Tungkol sa Philhealth, sinabi ng ating Pangulo kanina na walang mababawas na benepisyo kung 'di madadagdagan pa. At pinaliwanag ni Secretary Ralph Recto ngayon na ang Philhealth ay maraming resources na maaari niyang gamitin sa pagpapalago ng mga kababayan natin. Huwag kayong mag-alala, ang inyong executive branch ay maingat at matipid—hind naman, ibang connotation ng matipid eh, mabusisi sa paggamit ng ating resources. So with that, as the final say, I don't know if that is the final say, maganda ang darating na taon para sa atin dahil na-approve na iyong ating budget.

Happy New Year to all.

**PCO ASEC. DE VERA:** Thank you very much, Executive Secretary Bersamin, Secretary Recto, Secretary Pangandaman, Secretary Balisacan and Secretary Bonoan. That wraps our Press briefing today. Thank you and good day.

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