

FIFTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
FIRST REGULAR SESSION)

HOUSE OF REPRESENTATIVES

House Bill No. 219

Introduced by Representative Lorenzo R. Tañada III

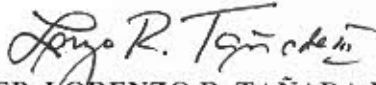
EXPLANATORY NOTE

This bill is an offshoot of House Resolution 120 which was adopted by the House of Representatives during the First Regular Session of the Fourteenth Congress. Said resolution allowed the participation of non-government organizations in the Congressional processes and deliberations of the national government budget.

Led by Social Watch Philippines and participated in by more than 40 NGOs with expertise in agriculture, environment, education, health, debt and macroeconomic analysis, the partnership and open dialogue with legislators have been quite helpful in crafting a national budget that is a bit more responsive in meeting the Millennium Development Goals compared to what was originally proposed by the Executive.

Inspired by the fruitful experience, this bill aims to **institutionalize** people's participation in budget deliberations in various levels of government – national, provincial, municipal down to the barangay level. Without underestimating and undermining the capacities of elected representatives in crafting a budget that is most needed by a particular locality, this bill gives full play to the people's right to participate in at all levels of social, political and economic decision-making. Further, it institutionalizes people's access to information with regard to how the taxpayers' money is being spent. In a way, this is likewise an anti-corruption measure.

With these objectives in mind, the early passage of this measure is earnestly sought.


REP. LORENZO R. TAÑADA III
4th District, Quezon Province

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Fifteenth Congress
First Regular Session

HOUSE BILL NO. **219**

Introduced by Rep. Lorenzo R. Tañada III

AN ACT
INSTITUTIONALIZING THE PARTICIPATION OF *BONA FIDE* PEOPLE'S
ORGANIZATIONS, NON-GOVERNMENT ORGANIZATIONS, OR PRIVATE/CIVIC
SECTOR GROUPS IN PUBLIC HEARINGS IN CONGRESS AND LOCAL GOVERNMENT
UNITS' BUDGET DELIBERATIONS

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

SECTION 1. **Short Title.** – This Act shall be known as the “*People’s Participation in Budget Deliberation Act of 2010.*”

SEC. 2. **Declaration of Policy.** – It is hereby declared the policy of the State to recognize the role of independent people’s organizations and non-government organizations as effective participants in all levels of social, political, and economic decisionmaking. The State respects their right to pursue and protect “within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means,” as provided in Article XIII of the 1987 Constitution. For this purpose, the State shall guarantee the participation of people’s organizations and non-governmental organizations in the formulation, monitoring and evaluation of the national budget to ensure that the annual appropriations will be an instrument of development and reflective of national objectives, strategies and plans.

SEC. 3. **Definition of Terms.** – For purposes of this Act:

- a) “**Accreditation**” refers to the process of evaluation by which the Senate or the House of Representatives and Local Legislative Councils shall recognize, register and allow the people's organizations (POs) and non-governmental organizations (NGOs) to participate in the budget deliberation. The Register of accredited POs and NGOs shall not confer juridical personality on the organizations;
- b) “**Government entity**” refers to all government agencies and instrumentalities, including local government units (LGUs), with which the POs and NGOs have legitimate concerns;
- c) “**Non-government organizations**” refers to independent private and non-profit organizations formed primarily for social and economic development, not engaged in partisan politics nor having any of its officers in elective government positions;
- d) “**People’s organizations**” refers to *bona fide* cooperatives and associations of citizens organized for purposes not contrary to law with demonstrated capacity to promote the public interest and with identifiable leadership, membership and structure; and
- e) “**Participation mechanisms**” refers to the means by which NGOs and POs could participate effectively and meaningfully in the process of deliberating an annual budget that is responsive to the

needs of different sectors in our community.

SEC. 4. Coverage. – All people's organizations and non-government organizations with a reputable track record in participating and contributing to the government's processes and activities, may be allowed to participate and play a significant role in the congressional as well as local annual budget deliberations; provided, that they undergo the mandatory accreditation process and comply with the implementing rules and regulations issued by both Houses of Congress, pursuant to Section 10 of this Act.

Both Houses of Congress shall, through the Senate President and the Speaker, allow the active participation of accredited POs and NGOs in the deliberation of the annual national budget by inviting their duly authorized representatives as resource persons, subject to such internal rules and regulations as the Senate and the House of Representatives or its concerned committee may provide.

The Local Development Councils, headed by their Governors, Mayors or Barangay Captains shall also allow the active participation of the POs and NGOs in their annual budget deliberations, subject to the limitations provided by law, ordinances, rules and regulations.

SEC. 5. Application for Accreditation. – Within thirty (30) days upon the ratification of this Act, and on future periods where a newly elected Congress and local legislative bodies are established, the respective Secretaries of said legislative bodies shall send notice to people's organizations or NGO's, informing them that they may apply for accreditation to enable them to participate in the annual budget deliberations.

The application for accreditation shall be filed with the offices of the Secretary of the Senate, the Secretary General of the House of Representatives or the Secretary of the local government units in the form prescribed by such offices for the purpose, with the following documents:

- a) Articles of Incorporation and by-laws of the applicant POs and NGOs;
- b) Certificate of Registration with the Securities and Exchange Commission (SEC) and concerned authority/agency;
- c) Affidavit of Modus Operandi showing:
 1. the character of the organization;
 2. the purpose for which it is organized;
 3. the list of activities or projects for the past three (3) years; and
 4. list of officers, directors, trustees and members.
- d) Certificate of Good Track Records and Standing from the proper authority or concerned office;
- e) Duly audited financial statements for the past three (3) years showing the assets and liabilities of the organization; and
- f) Board resolution or any other form of legal evidence that shall prove that the respective organization has the desire and is mandated by its representation to apply.

Upon approval of the application by the Secretary of the Senate, the Secretary General of the House of Representatives or the Secretary of the local government units, a certificate of accreditation shall be issued to the organization which shall be valid for three (3) years after its approval.

Unless an applicant is given due and proper hearing, no application for accreditation shall be disapproved. The decision of the Secretaries of the Senate or the House or the proper authority so designated by the concerned local government unit on such disapproval shall thus be rendered within ten (10) working days from the time of filing of the application.

SEC. 6. Guidelines for Choosing the Representatives for Accredited POs and NGOs:

- a) *Qualifications* – Nominated representatives of accredited people's organizations and non-government organizations should be members of the organization they represent. The nominees may be members of sectoral or multi-sectoral groups. They shall serve at the pleasure of their accredited organization.

Nominated / elected representatives of accredited people's organizations and non-government organizations shall be allowed to participate during budget deliberations in the national down to

municipal levels of government; and

b) *Term of office of selected representative/s* – Accredited NGOs and People's Organizations shall submit the name of their representative in the budget exercise and shall serve at the pleasure of his/her accredited organization.

SEC. 7. *Cancellation of Accreditation.* – Upon verified complaint in writing charging the holder of a certificate of accreditation of having procured their certificate of accreditation by fraud or deceit or through error, the Secretary of the Senate or the Secretary General of the House of Representatives or the LGU Secretary shall have the power to cancel the certificate of accreditation.

On the other hand, no application shall be disapproved or cancelled without proper notice and hearing by the proper authority. Inaction by the proper authority within fifteen (15) days will be considered as a decision favorable to the NGOs or POs involved.

SEC. 8. *Rights and Privileges.* – An accredited PO or NGO shall enjoy the following rights and privileges:

a) Participate through its duly authorized representatives in any regular and consultative public meetings, hearings, conferences, dialogues, debates or deliberations relating to the government's annual budget, whether sponsored by either house of Congress, or other local government entities;

b) Submit its own alternative or proposed budget of the department or agency with which the sector or organization it represents is concerned;

c) Access to copies of the bills or budget proposals filed in both Houses and local government unit concerned and all information and submissions relative thereto ;

d) Present position papers or written proposals on projects and programs of the government entities which budget is under deliberation; and

e) Access to the data coming from both Houses and concerned LGU.

Nothing in this Act shall be construed to deprive POs and NGOs of the rights, privileges and incentives being enjoyed by them as mandated by the Constitution, existing laws, executive orders, and regulations and other issuances.

SEC. 9. *Suspension of Entitlements of POs and NGOs.* – NGOs and POs whose accreditation has been suspended shall not be allowed to engage or participate in the Congressional and local annual budget deliberations in any manner, whether directly or indirectly.

SEC. 10. *Non-Accredited POs and NGOs.* – NGOs and POs that are unable to get accreditation may still participate in the process by submitting position papers for Congress' and Local Sanggunians' consideration. They may be invited to expound on their critique or proposals when said institutions deem it fit.

SEC. 11. *Public and Timely Disclosures of Budget Proposals.* – In order for citizens to participate in an informed manner, Congress and Local Government Units shall post in the web and in their local bulletin boards proposed budget documents as well as actual expenditures made in the past year.

SEC. 12. *Implementing Rules and Regulations.* – The Senate and the House, in consultation with the Department of Social Welfare and Development (DSWD), Department of Interior and Local Government (DILG), POs and NGOs and other agencies deemed necessary to consult, shall issue the Implementing Rules and Regulations (IRR) within ninety (90) days after the approval of this act.

SEC. 13. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SEC. 14. *Repealing Clause.* – All laws, decrees, orders and issuances or portion thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 15. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,