

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
Second Regular Session

**HOUSE BILL NO. 10840**



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**Introduced by Representative ANTOLIN “LENLEN” A. ORETA III**

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**AN ACT**  
**MANDATING THE ESTABLISHMENT AND IMPLEMENTATION OF A NATIONAL**  
**BUDGET BLOCKCHAIN SYSTEM TO ENHANCE TRANSPARENCY,**  
**ACCOUNTABILITY, AND PUBLIC PARTICIPATION IN THE**  
**PHILIPPINE BUDGET PROCESS**

**EXPLANATORY NOTE**

The 1987 Constitution recognizes transparency and accountability as essential principles in the administration of public affairs and in the use of public funds. The national budget involves billions of pesos appropriated for programs, projects, and services intended to benefit the Filipino people. However, the complexity of government financial systems and the fragmentation of budget, procurement, disbursement, accounting, and auditing records can make it difficult for citizens and oversight institutions to independently and promptly trace the movement and utilization of public funds.

The rapid development of digital technologies presents an opportunity to strengthen existing mechanisms for fiscal transparency and accountability. Blockchain technology, through its distributed, cryptographically secured, and tamper-resistant ledger, can provide a reliable means of recording and verifying transactions across the government budget cycle. When properly designed and implemented, such a system can create a continuous and auditable record from the appropriation of funds under the General Appropriations Act to their release, disbursement, utilization, and audit.

This measure therefore seeks to establish the Philippine National Budget Blockchain, a blockchain-based budget system that will serve as a government-managed digital ledger for national budget records. The proposed system shall record budget-related transactions as Digital Public Assets (DPAs), providing immutable and verifiable records that can be independently examined by citizens, government agencies, oversight bodies, and other authorized stakeholders.

Under the measure, the Department of Information and Communications Technology (DICT), in coordination with the Department of Budget and Management (DBM) and the Commission on Audit (COA), shall establish and administer the blockchain-based budget system. The system shall cover the budget cycle from preparation and legislation to execution and audit. It shall also provide a public-facing portal through which citizens and oversight institutions may access and verify relevant budget information in a timely manner.

The measure further recognizes the importance of integrating the proposed system with existing government financial and information systems. Government budgeting, accounting,

disbursement, procurement, and reporting platforms shall therefore comply with interoperability standards and ensure that relevant financial data are anchored to the blockchain. This will prevent the proposed system from operating as an isolated platform and will instead allow it to complement and strengthen existing government processes.

To promote accountability, the proposed system shall incorporate key features such as immutability, decentralization, traceability, security and resilience, and interoperability. These features are intended to preserve the integrity of budgetary records, prevent unauthorized alteration or manipulation, enable the tracking of public funds from appropriation to actual utilization, and ensure the continuity and security of the system.

The measure also assigns specific responsibilities to concerned government agencies. DICT shall serve as the lead implementing agency and may engage qualified private-sector partners, technology providers, and academic institutions, subject to applicable procurement laws and regulations. DBM shall ensure the integration and timely submission of national budget data, while COA shall incorporate blockchain-based records into its audit systems and processes. All government agencies, bureaus, offices, commissions, and government-owned or controlled corporations shall likewise integrate their financial management systems into the blockchain-based budget system and submit the required budget, procurement, and expenditure information.

In view of the foregoing, the passage of this bill is earnestly sought.



**ANTOLIN “LENLEN” A. ORETA III**  
***Lone District of Malabon City***

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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 will be known as the “*Philippine National Budget*  
2 *Blockchain.*”

3 **SEC. 2. *Declaration of Principles and State Policies.*** – It is the policy of the State to uphold  
4 transparency, accountability, and good governance in the management and disbursement of  
5 public funds. The State shall safeguard honesty and integrity in public service, adopt effective  
6 measures against graft and corruption, and institutionalize public disclosure through open,  
7 verifiable, and citizen-accessible digital systems. To this end, the government shall establish a  
8 digital platform that provides timely, accurate, tamper-resistant, interoperable, and traceable  
9 publication of government budget transactions. The system shall guarantee that all government  
10 appropriations, disbursements, procurements, and expenditures are disclosed and made publicly  
11 accessible to citizens and oversight institutions.

12 **SEC. 3. *Definition of terms.*** – As used in this Act:

13 (a) *Blockchain* refers to a distributed and cryptographically secured digital ledger that  
14 records transactions in a verifiable, immutable, and transparent manner;

15 (b) *Blockchain-based Budget System* refers to a government-managed blockchain ledger that  
16 records, in a real-time and immutable form, all transactions across the budget cycle;

17 (c) *Digital Public Asset (DPA)* refers to any budget-related record placed on blockchain,  
18 representing public funds as immutable and verifiable assets of the people;

19 (d) *National Budget* refers to the General Appropriations Act (GAA), which is the law that  
20 authorizes the government to spend a specific amount of money for various programs  
21 and projects;

22 (e) *Smart Contract* refers to self-executing code deployed on blockchain to enforce  
23 predefined conditions, including budget releases and compliance requirements; and

- (f) *Validator Nodes* refer to independent verifying entities, including government agencies, academic institutions, and accredited organizations, that maintain and secure the blockchain's decentralization.

**Sec. 4. Establishment of the Blockchain-based Budget System.** – The Department of Information and Communications Technology ("DICT"), in coordination with the Department of Budget and Management ("DBM") and Commission of Audit ("COA"), shall establish a blockchain-based budget system where all records of the national budget are recorded as DPAs.

All records of the national budget, from budget preparation and legislation to execution and audit, shall be recorded in DPAs. Smart contracts may automate fund releases upon the fulfillment of verifiable milestones such as the approval process and other documentation.

A public-facing portal shall provide real-time access to DPAs, to enable citizens, COA, and oversight bodies to independently verify the flow of funds down to agencies, projects, and beneficiaries.

All government financial systems, including budgeting systems, disbursement tools, accounting applications, and reporting software, shall be required to comply with blockchain interoperability standards. All data generated by such systems must be anchored to the blockchain as DPAs, ensuring immutability, traceability, and public auditability.

**Sec. 5. Features of the Blockchain-Based Budget System.** – The blockchain-based budget system shall, at a minimum, embody the following features to ensure transparency, accountability, and reliability:

- (a) *Immutability* – All transactions and entries recorded in the system shall be permanent and shall not be subject to alteration, deletion, or manipulation, thereby preserving the integrity of official budgetary data.
- (b) *Decentralization* – Validation functions shall be distributed across multiple independent institutions, agencies, or designated entities to prevent concentration of control and to strengthen institutional accountability.
- (c) *Traceability* – The system shall provide a verifiable chain of records that allows public funds to be tracked from their appropriation in the General Appropriations Act down to their utilization in specific projects, programs, or beneficiaries.
- (d) *Security and Resilience* – The system shall employ robust cryptographic safeguards, redundancy mechanisms, and disaster recovery protocols to ensure continuous operation and to protect all data, processes, and accounts against tampering, breaches, or system failures.
- (e) *Interoperability* – The system shall be designed to be compatible with, and adaptable to, existing and future government information systems and emerging technologies, thereby ensuring scalability, efficiency, and seamless integration across platforms.

**Sec. 6. Data Quality Standards.** – Mandates of Implementing Agencies. -

- (a) DICT shall serve as the lead implementing agency and is hereby authorized to engage and contract qualified private sector partners, technology providers, and academic institutions for the design, development, deployment, and maintenance of said system, subject to government procurement laws and regulations.
- (b) DBM shall ensure the integration of the national budget process into the blockchain-based budget system including provision of timely and accurate data in coordination with DICT and other concerned agencies.
- (c) COA shall integrate blockchain technology into its audit systems and processes and ensure that audit standards are aligned with blockchain-based recordkeeping.

(d) All government agencies, bureaus, office, commissions, and government-owned or controlled corporations shall integrate their financial management systems into the blockchain-based budget system and ensure timely submission of budget, procurement, and expenditure reports.

**Sec. 7. *Implementing Rules and Regulations (IRR).*** – Within sixty (60) days from the effectivity of this Act, DICT, in coordination with DBM, COA, the DOJ, and other concerned agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act. The formulation of the IRR shall be undertaken in consultation with representatives from civil society organizations, the academe, media, and relevant industry stakeholders.

**Sec. 8. *Joint Congressional Oversight Committee (JCOC).*** – Upon the effectivity of this Act, the Joint Congressional Oversight Committee (JCOC) is hereby constituted. The JCOC shall be composed of eight (8) members with the Chairpersons of the Committee on Science and Technology of the Senate and the House of Representatives as Co-Chairpersons; Chairpersons of the Committee on Finance of the Senate and Committee on Appropriations of the House of Representatives as members; and two (2) members from each House to be designated by the Senate President and the Speaker of the House of Representatives, respectively.

The JCOC shall monitor the effective implementation of this Act, recommend the necessary remedial or administrative measures, and perform such other duties and functions as may be necessary to attain the objectives of this Act.

**Sec. 9. *Appropriations.*** – The amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated from available funds in the National Treasury for the initial implementation of this Act. The amount necessary to carry out this Act shall be charged against the current appropriations of DICT for digital-governance and transparency programs. Subsequent funding requirements shall be included in the annual General Appropriations Act.

**SEC. 10. *Separability Clause.*** – Should any provision or part of this Act be declared unconstitutional or invalid, the other provisions and parts hereof, insofar as they are separable from the invalid ones, shall remain in full force and effect.

**SEC. 11. *Repealing Clause.*** – All laws, executive orders or parts thereof inconsistent with this Act are hereby repealed, modified, or amended accordingly.

**SEC. 12. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*