

FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Second Regular Session )

## House of Representatives

### House Bill No. 4977

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*Introduced by Rep. Lorenzo R. Tañada III*  
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### EXPLANATORY NOTE

This bill is an offshoot of House Resolution 120 which was adopted by the House of Representatives during the First Regular Session. Said resolution authored by this Representation and Cong. Guingona 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**  
4<sup>th</sup> District, Quezon Province

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**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. *Declaration of Policy.*** – The State recognizes and respects the role of civil society to participate effectively at all levels of social, political, and economic decision-making in pursuing and protecting, “within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means,” as provided in Section XV, Article XIII, and Section XVI, respectively, of the 1987 Constitution of the Philippines.

The State recognizes that the National Budget is one of its most vital pieces of legislation as it reflects the actual priorities of the government. Section III, Chapter II, Book VI of the Revised Administrative Code highlights the importance of crafting a well-designed national budget as it states in part that, “*It is hereby declared a policy of the State to formulate and implement a National Budget that is an instrument of national development...*”

It is hereby declared as a policy of the State that the Congress’ genuine desire to design a budget that is an instrument of national development will be partly met by contributions from a healthy discussion with *bona fide* people’s organizations and non-government organizations to engage civic participation in government, and ensure representation and transparency. Pursuant to this, the State shall allow the said civic organizations to participate during budget deliberations in the national, provincial, municipal and barangay levels.

**SECTION 2. *Definition of Terms.*** The following terms as used in this Act shall mean:

- a. “***Bona Fide People’s Organizations, Non-Government Organizations or Private/Civic Sector Groups***” – Section 15 of the 1987 Constitution defines

people's organizations as "bona fide associations of citizens with demonstrated capacity to promote the public interest and with identifiable leadership, membership, and structure."

*Bona fide* people's organizations, non-government organizations, which have a track record in engaging budget processes both in the national and in the local level, or private/civic sector groups are any civil society organizations accredited by and registered in the following institutions:

1. Securities and Exchange Commission,
2. Cooperatives Development Authority,
3. Department of Labor and Employment,
4. Department of Social Welfare and Development,
5. Any other recognized National Government Agency which awards accreditation or registration to people's organizations, NGO's, or private sector groups;

**SECTION 3.** *Guidelines for the Accreditation of People's Organizations, Non-Government Organizations (NGOs), or Private/Civic Sectors as participants in Public Hearings in the Congress' Annual Budget Deliberations:*

- a. **Call for application** – 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 Secretary of said legislative bodies shall send a notice/letter to people's organizations or NGO's, including business, socio-civic and professional groups, informing them that they may apply in the Congress for accreditation which would enable them to participate in the Congress' annual budget deliberations. Each application should have as attachments board resolutions or any form of legal evidence that shall prove that the respective organization has the desire and is mandated by its representation to apply, a certificate of registration, list of officers, accomplishments, and the financial data of the organization;
- b. **Accreditation** – People's organizations that are willing to apply shall be accredited by Congress and local Sanggunians upon fulfillment of the following requirements:
  1. Registration from the Securities and Exchange Commission, Cooperatives Development Authority, Department of Labor and Employment, Department of Social Welfare and Development, or any other recognized National Government Agency which awards accreditation or registration to people's organizations, NGO's, or private sector groups;
  2. Organizational Purpose and Objectives should include community organization and development, institution-building, local enterprise development, livelihood

development, capability-building and similar development objectives and considerations;

3. Community-based with project development and implementation track record of at least one (1) year;
4. Reliability as evidenced by the preparation of annual reports and conduct of annual meetings duly certified by the board secretary of the organization; and

- c. Completion of accreditation process** – Congress and local legislative bodies shall make effective measures for accreditation within and not exceeding sixty (60) days prior to an organization's filing/accomplishment of application for accreditation in the Congress.

**SECTION 4.** *Guidelines for Choosing the Representatives for Accredited People's Organizations, NGO's, or Private/Civic Sector.*

- a. Qualifications** – Nominated representatives of accredited people's organizations, non-government organizations, or private/civic sector groups should be members of the organization he/she is representing. The nominees may be members of sectoral or multi-sectoral groups.
- b. Rights, roles and responsibilities of representatives** – Nominated/elected representatives of accredited people's organizations, non-government organizations, or private/civic sector groups shall be allowed to participate during budget deliberations in the national down to municipal levels of government. They shall have access to documents pertinent to the budget discussions, the right to submit position papers, suggestions and/or recommendations, and observe the voting of the elected local and national representatives.
- c. Term of office of selected representatives** – 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.

**SECTION 5.** *Repealing Clause.* - All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with any of the provisions of this Act are hereby repealed, amended or modified accordingly.

**SECTION 6.** *Separability Clause.* - If any section or provision of this Act is declared unconstitutional or invalid, such other sections or provisions not affected thereby shall remain in full force and effect.

**SECTION 7.** *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

**Approved,**