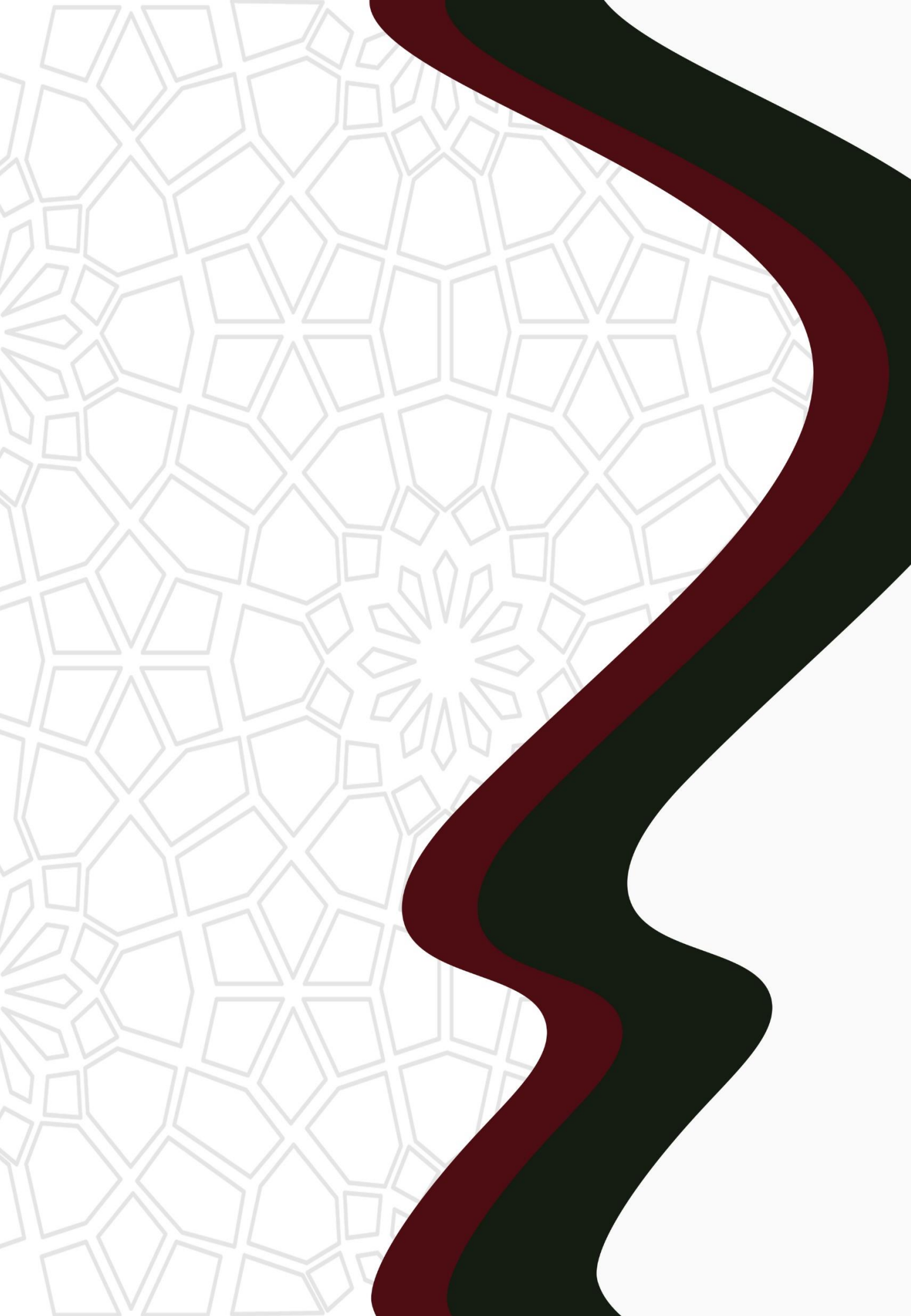




تأسفءق

Turning capacities into success opportunities





2023
MILESTONES



Fortifying the Region's Fiscal Policy

Created primarily to formulate, institutionalize, and administer fiscal and tax policies for the Bangsamoro Government (BG), the Bangsamoro Finance Office (BFO) has positioned itself as reliable fiscal policy formulation arm of the Ministry of Finance, and Budget and Management (MFBM) having led the enhancement of the proposed Bangsamoro Revenue Code and the formulation of the draft Islamic Finance Roadmap which primarily involved research, focus group discussions, technical dialogue, and consultations with experts.

The BFO, with the support from MFBM Legal and Legislative Liaison Division, has spearheaded the discussion and drafting of the following resolutions which have already been approved by the Intergovernmental Fiscal Policy Board (IFPB): determination of taxable elements of capital gains tax, documentary stamp tax, donor's tax and estate tax; and delineation of the tax administration (collection and assessment) functions of the National Government (Bureau of Internal Revenue) and Bangsamoro Government (Bangsamoro Revenue Office).

Moreover, other fiscal policies that have already been formulated and currently undergoing review by the IFPB include: collection and remittance of share of Bangsamoro Government in the National Government taxes, fees, and charges collected in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) pursuant to Sections 10 and 11, Article XII of the Republic Act No. 11054 or the Bangsamoro Organic Law (BOL); determination of the participation of the BG in government-owned and controlled corporations (GOCCs) operating in the BARMM pursuant to Sections 31 and 32, Article XII of the BOL; and proposed guidelines on the payment of taxes by corporations, partnerships or firms under Sections 12

and 37 (f), Article XII of the BOL. On the other hand, the study on the impact of the implementation of Mandanas Ruling on the Bangsamoro Government and its constituent local government units (LGUs), the potential functional assignments and delineation of roles and responsibilities of the BG and LGUs, and modalities on service delivery, cost-sharing and performance mechanisms is already in the process of completion.

In promoting and institutionalizing Islamic Finance in the BARMM, BFO conducted capacity development on Islamic Finance for both the Members of the Bangsamoro Transition Authority Parliament as well as middle managers of different ministries and offices of the Bangsamoro Government. In addition, it currently supports the BG Membership at the BSP-lead Islamic Finance Coordination Forum as well as the recruitment and selection of members of the Shariah Supervisory Board (SSB) from the private sector pursuant to the Joint Circular dated April 26, 2022 issued by the Bangsamoro Government, Department of Finance, Bangko Sentral ng Pilipinas, and National Commission on Muslim Filipinos. The SSB is primarily responsible in issuing Shari'ah opinions on Islamic banking transactions and Shari'ah products in the BARMM. Recently, BFO completed the conduct of the financial and legal due diligence on Al-Amanah Islamic Investment Bank of the Philippines (AAILBP) pursuant to Section 33, Article XII of the BOL.

All these efforts contribute to improving revenue generation and economic comparative advantages for the BARMM by ensuring that sources of revenue other than block grant is increased and providing an alternative financial system that conforms with the needs, identity, aspirations, and way of life in the Bangsamoro.



Executive Program on Islamic Finance

As part of its commitment to champion Islamic Finance in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Ministry of Finance, and Budget and Management (MFBM), through the Bangsamoro Finance Office, conducted an Executive Program on Islamic Finance for the Bangsamoro Transition Authority (BTA) Parliament. The activity, co-organized by World Bank Manila Office, through the auspices of the Government of Korea especially the Seoul Center for Finance and Innovation Trust, was held in Manila in two (2) batches on June 5 to 6, and June 8 to 9, respectively.

The program served as a platform for high-level discussion and dialogues focusing on basic principles of Islamic Finance, nominate contracts of Islamic Finance, practical examples of integrating Islamic Finance in government services, legal dispute resolution mechanisms, and Islamic Finance framework of subnational governments.

MFBM Minister Ubaida Pacasem underscored that based on research, consultations, partnerships and other Islamic Finance initiatives of the MFBM, "Islamic Finance is deeply rooted in the Bangsamoro struggle apart from it being an important tool to address the low rate of financial inclusion in the region. The absence of an alternative financial system that conforms to the needs, identity, way of life and aspirations in the Bangsamoro is one of the core problems affecting our overall quality of life. Having a functional and operational Islamic finance system in the BARMM is key to solving this problem."



60% of targeted fiscal policy advisories undergoing review and finalization

of targeted revenue research and policy development activities conducted **85%**

80% of targeted IEC on Islamic Finance were conducted on schedule

of targeted revenue research and policy development activities conducted **80%**



Scan to view the 1st Progress Report of the Intergovernmental Fiscal Policy Board (IFPB) FY 2022



Advancing Fiscal Responsibility in the Region

The Ministry of Finance and Budget Management has achieved significant milestones in the realm of expenditure management, a vital component of responsible fiscal governance. For the year 2023 and even in prior years, the Ministry's unwavering commitment to enhancing expenditure management practices has been demonstrated through various activities, from the standardized preparation of annual budget up to the monitoring of financial performance of implementing Ministries and Offices. These accomplishments reflect not only the dedication of the Ministry but also underscore the critical importance of effective expenditure management in achieving fiscal sustainability and socio-economic development.

The Ministry conducted an extensive Budget Forum, bringing together stakeholders from various sectors to engage in an open discussion which facilitated a transparent decision-making process and allowed for the incorporation of diverse perspectives. Subsequently, the Technical Budget Hearing served as a platform for in-depth analysis and scrutiny of budget proposals, ensuring that the allocated funds are directed towards the most pressing national priorities. These activities not only promoted transparency but also improved the overall quality of budget decisions.

Another major accomplishment was the issuance of comprehensive budget policies that provided clear guidelines for spending. These policies promoted fiscal discipline, efficient resource utilization, and the alignment of budgetary objectives with national and regional development goals. By laying out a detailed framework, the Ministry aimed to minimize wasteful spending and enhance the allocation of resources to programs and projects that have a substantial impact on the welfare of the populace.

Furthermore, the Ministry also recognized the importance of establishing an effective manpower structure for the BARMM. To this end, it conducted a thorough review and assessment of proposed position classification actions to ensure that the region had the right personnel in place to deliver essential services and implement its development agenda. This step is crucial for the effective functioning of the BARMM and achieving its socio-economic goals.

The Ministry further enhanced its financial performance monitoring by implementing quarterly reviews of accountability reports. This proactive approach allowed for real-time tracking of financial activities and ensured that expenditures aligned with approved budgets. By regularly scrutinizing these reports, the Ministry enhanced transparency, accountability, and efficiency in financial management.

In conclusion, the Ministry of Finance and Budget Management's accomplishments in expenditure management are steps toward responsible fiscal governance. Proper expenditure management remains fundamental in achieving long-term economic stability and development, as it helps create a conducive environment for sustainable growth and improved public service delivery. The Ministry's dedication to these activities is a testament to its commitment to good governance and prudent financial management, which will undoubtedly benefit the nation in the years to come.





93%

of projected expenditure management polices were crafted and issued within the target schedule



4

Performance review for Ministries, Agencies and Offices were conducted

92%

assessed and approved position classification, staffing, and organization action within target period

100%

of mandated budget documents from MFBM were submitted on time or earlier



90%

of request for budget release and / or variation are acted within the prescribed period

Empowering Regional Prosperity through Asset Management

In a concerted effort to drive efficiency, transparency, and fiscal responsibility within the region, the Ministry of Finance, and Budget and Management mainstreams revenue integrity and asset protection through its Asset Management Program.

One of the pivotal aspects of the program was the implementation of extensive capacity-building initiatives. The Ministry organized numerous training sessions, orientations, and forums designed to enlighten local government units on the intricacies of tax policies. These events provided a platform for officials, accountants, and financial personnel from the local government units to develop a profound understanding of tax regulations and compliance. The result was a well-informed workforce better equipped to manage fiscal matters effectively.

The Asset Management Program set ambitious collection targets for the local government units. It is with immense pride that we announce the achievement of a remarkable 72% collection rate by the end of the third quarter. This accomplishment signifies not only effective revenue generation but also prudent fiscal management at the regional and local levels. It translates into more resources available for the development of the region and the welfare of its citizens.

Compliance with regulations and standards is a hallmark of a well-managed public finance system. Under the Asset Management Program, there was a strong emphasis on adherence to the rules. The Bangsamoro Treasury Office exhibited exceptional commitment by achieving an average of 96% compliance rate in the submission of bank reconciliations to the Commission on Audit (COA). This level of compliance ensures accountability, transparency, and the responsible handling of public funds.

Furthermore, to continuously improve treasury operations, the Asset Management Program facilitated benchmarking activities with counterpart national government agencies such as the Bureau of Treasury and Department of Finance. This exchange of knowledge and best practices allowed for the adoption of innovative approaches and the streamlining of processes.

Effective asset and fund management play a pivotal role in the development of any region. It ensures that resources are allocated judiciously, that fiscal responsibility is maintained, and that the financial health of the region remains robust. Properly managed assets and funds enable regions to invest in infrastructure, social services, and economic development, which, in turn, enhances the quality of life for the population.

Moreover, transparent and accountable asset and fund management fosters an environment conducive to economic growth, attracting investments and promoting regional prosperity. It is the cornerstone on which a region's future is built, and the Ministry of Finance, and Budget and Management is committed to continuing its efforts in this direction for the betterment of our region.





Cash Management Operations Training

In an aim to enhance smooth execution and establish good practices on cash management of funds in the Bangsamoro Government, the Ministry of Finance and Budget and Management- Bangsamoro Treasury Office (MFBM- BTO), in partnership with the Bureau of the Treasury- Regional Office No. XII, conducted a Cash Management Operations Training.

Regional Director Rulan Aechylus V. Egalin and other BTR- XII officials provided detailed training on cash management and treasury functions, cash receipts management, fund transfer management, and other functions of the Treasury at the regional level.

Director Egalin fully supports the endeavors of the Ministry in establishing an efficient and effective cash management system and highlighted the critical role of the BTO in the formulation of relevant policies to set up controls and sustain fiscal stability and growth in the region.

Bangsamoro Treasurer Naila Z. Dimaraw expressed her gratitude to the BTR- XII officials who have been partners of the Bangsamoro Government in pursuing moral governance by providing their technical expertise in terms of treasury operations.

Moreover, she hopes that the participants will strive to enhance the BTO processes and strategies with the essential learnings applied.

The Bangsamoro Government is continuously adopting a centralized government cash balances through strong institutional interaction, covering information sharing between the cash managers, revenue-collecting agencies and spending ministries, and strong coordination of cash management.

Collaborative learning may still be expected as MFBM-BTO continues to strive to improve and benchmark with relevant national government agencies and financial institutions in the future.

Annual Bangsamoro Local Revenue Collection Forum

To intensify its efforts in attaining the long-term goal of greater fiscal autonomy through efficient revenue collection operations, the Bangsamoro Treasury Office (BTO), under the umbrella of the Ministry of Finance, and Budget and Management, held its Annual Bangsamoro Local Revenue Collection Forum.

The forum highlighted the accomplishments of various ministries and offices with outstanding and commendable collection performance for F.Y. 2022 with the Ministry of Public Works (MPW), Ministry of Transportation and Communications (MOTC), and the Ministry of Environment, Natural Resources and Energy (MENRE) as the top three awardees for highest collecting ministries, respectively.

MFBM Deputy Minister Amilbahar P. Amilasan, Jr. underscored that the forum is a testament of the positive changes in the region, which serves as a motivation to all ministries and offices to work together to elevate their efforts in achieving their collection targets annually to boost the quality of the delivery of public services to the people.

“For the past years, starting from 2019 to 2022, with the Bangsamoro agenda of moral governance, we have seen a tremendous change in the local revenue collection performance of the region. Ministries and offices, although in transition, which means most are still developing their capacities and competencies, were able to sustain local revenue collection,” he added.

Bangsamoro Treasurer Naila Z. Dimaraw also presented the collection target for F.Y. 2023 along with other future improvements on collections and deposits that are specifically anchored to the government’s digitalization program for a better revenue collection performance and an increased economic transparency in the region.

72% Local collection rate based on projected 2023 collections as of September 30, 2023.

96% Average compliance rate with the required bank reconciliation documents submitted to COA

87% of targeted LGUS officials have been capacitated on tax issuances

93% of LGUS have received their share in the 2021 revenue collections.

93% average percentage of request for issuance of NTA are released on time

PFMC: Building PFM expertise in BARMM

In pursuit of implementing a stronger bureaucracy in the Bangsamoro region, the Ministry of Finance, and Budget and Management (MFBM), in partnership with the Department of Budget and Management (DBM) and Japan International Cooperation Agency (JICA) has already conducted a total of 6 Public Financial Management Competency Courses (PFMCC).

The PFMCP is an eight-track Competency Program of the Department of Budget and Management that seeks to enhance the technical competencies of PFM practitioners in oversight and spending of government offices. Through comprehensive training and capacity-building, participants gain a deep understanding of the intricacies of public financial management, enabling them to make informed decisions that benefit the public. Moreover, PFMCCs instill a culture of transparency, accountability, and ethics, which are fundamental values that underpin good governance.

One of the most profound impacts of PFMCCs is the empowerment of individuals and institutions within the BARMM. Graduates of these courses emerge as leaders who possess the knowledge and skills needed to drive economic growth, allocate resources efficiently, and eliminate corruption and mismanagement of public funds. Furthermore, PFMCCs are instrumental in attracting external support and investment, as they signal to donors and investors that the BARMM is committed to sound financial management practices.

In one of the sessions attended by DBM Secretary Amenah Pangandaman, she stressed that the PFMCC aims to enhance the technical skills and competencies of our public financial managers in planning, directing, and controlling financial resources toward the effective and efficient delivery of public services.

"I am positive that this session will not only equip you with the PFM fundamentals, but will also, and more importantly, strengthen your resolve to be part of a new generation of PFM practitioners who are accountable to the people and each other, who embrace innovations through digital transformation, who act with integrity at all times, and who recognize that governments exist for and because of the people," she said.

Since the inception of the Program in 2020, the MFBM already facilitated the capacitation of more than 500 financial practitioners ranging from Parliament members, BARMM Executives, middle managers, among others. Recently, the MFBM conducted the PFM course for the officers in the provincial offices of the BARMM.

In conclusion, the importance of Public Financial Management Courses in the BARMM cannot be overstated. These courses are the cornerstone of a brighter, more accountable future, as they empower leaders and professionals with the knowledge and skills needed to transform the region's financial landscape. Towards this end, the MFBM continuously commits to conduct these courses for the next fiscal years.





6

Public Financial Management Session conducted since 2020



More than 60 Parliament Members have attended at least 2 sessions of PFM

2

Phases of PFM is completed for middle-manager practitioners



108 officers from provincial offices of ministries and offices have been capacitated

"I am positive that this session will not only equip you with the PFM fundamentals, but will also, and more importantly, strengthen your resolve to be part of a new generation of PFM practitioners who are accountable to the people and each other, who embrace innovations through digital transformation, who act with integrity at all times, and who recognize that governments exist for and because of the people."

DBM Sec. Amenah Pangandaman



NARRATIVE
REPORTS



**EXPENDITURE
MANAGEMENT**



Bangsamoro Paves the Way for Fiscal Excellence: MFBM Unveils Streamlined Budget Execution Guidelines for FY 2023

In a landmark move, the Bangsamoro Transition Authority (BTA) Parliament signed the Fiscal Year 2023 Bangsamoro Budget, heralding a new era of financial governance. Yesterday, on January 12, at the Grand Pagana Hall in Cotabato City, the Ministry of Finance, and Budget and Management (MFBM) conducted an orientation to introduce the meticulously crafted Budget Execution Guidelines (BEGs) to the Ministries, Offices, and Agencies (M/O/As).

The BEGs, purposefully designed, serve as a comprehensive framework outlining rules and procedures for the efficient release, implementation, and monitoring of the public's financial resources. Crucially, these guidelines will direct the implementation of the 2023 General Appropriations Act of the Bangsamoro (GAAB), empowering the MFBM to set the course for responsible financial management.

In anticipation of this pivotal moment, all M/O/As were mandated to submit Budget Execution Documents (BEDs) outlining their plans and performance targets. MFBM Deputy Minister Amilbahar Amilasan, Jr. emphasized that this marks a critical juncture for the Bangsamoro region, stressing that all M/O/As must fortify the implementation of their services during the 4th year of the transition period.

"At the precipice of momentum building, our actions are bound by the principles of moral governance. We anticipate improvements in strengthening the rule of law, along with an honest and effective delivery of public services. This year, we aspire to elevate our achievements and expand our efforts to serve the marginalized sector in pursuit of genuine and meaningful autonomy,"

stated Deputy Minister Amilasan, Jr., underlining the significance of the occasion.

The Deputy Minister went on to articulate how the orientation serves as one of MFBM's strategic interventions, contributing to the overarching goals by enhancing the human capital in public and financial management.

Expressing optimism, Bangsamoro Treasurer Naila Dimaraw assured that the MFBM, through the Bangsamoro Treasury office, is committed to collaborating with all Ministries, Offices, and Agencies. "Rest assured that the MFBM will continue to work diligently towards achieving genuine and meaningful autonomy, fostering a positive outlook for the year's forthcoming initiatives," affirmed Treasurer Dimaraw.

With the unveiling of the streamlined Budget Execution Guidelines, the Bangsamoro region stands poised to embark on a journey of fiscal excellence, setting the stage for a transformative and prosperous future.





Seminar on Omnibus Guidelines on the Execution of Personnel Services Fund

In a significant stride towards genuine regional development and economic self-sufficiency in the Bangsamoro, the Ministry of Finance, and Budget and Management (MFBM) took a proactive stance by conducting an orientation on the Omnibus Guidelines on the Execution of Personnel Services Fund. The event, held on February 6 at the Em Manor Hotel and Convention Center in Cotabato City, aimed to promote, adopt, and implement sound and efficient use of government resources.

The orientation served as a comprehensive guide for Ministries, Offices, and Agencies (M/O/As) on the technical aspects of the Omnibus Guidelines. Participants gained valuable insights into the guidelines, general instructions regarding the release of personnel services fund, and the intricacies of the Personnel Services Itemization and Plantilla of Personnel (PSIPOP)..

Distinguished resource speakers from various government agencies and institutions, including the Civil Service Commission (CSC), Bureau of Internal Revenue (BIR), Government Service Insurance System (GSIS), Philippine Health Insurance Corporation (PhilHealth), and Pagtutulungan sa Kinabukasan: Ikaw, Bangko, Industriya at Gobyerno (Pag-IBIG) Fund, provided expertise on personnel services-related matters.

Highlighting the significance of the orientation, MFBM Bangsamoro Budget Office Director Atty. Rahma D. Sanglitan emphasized the critical role of clear communication in administering the Bangsamoro Government's compensation and position classification policies. Director Sanglitan stressed the importance of avoiding any injustice that could arise from delays in salary release and mishandling of funds.

"As champions of moral governance and transparency, it is among our top priorities to ensure the sound and efficient utilization of government resources. This entails a great responsibility and accountability, especially with the growing Bangsamoro government manpower as we envision a fully operational bureaucracy," said Director Sanglitan, underscoring the commitment to upholding the principles of governance and accountability.

The Omnibus Guidelines orientation stands as a testament to the Bangsamoro government's dedication to fostering responsible financial management and cultivating a fully operational bureaucracy, paving the way for a future marked by progress and sustainability.





Bangsamoro Gears Up for FY 2024 with Budget Forum

In a strategic move to fortify public expenditure management and advance the cause of genuine autonomy, the Ministry of Finance and Budget Management (MFBM) orchestrated the Bangsamoro Budget Forum for FY 2024 on March 14 at the Shariff Kabunsuan Cultural Complex, Bangsamoro Government Center, Cotabato City. Attended by Ministers, Heads of Offices, Civil Society Organizations, partner agencies, and stakeholders, this crucial event aimed to enhance the efficient budget preparation process for the diverse Ministries, Offices, and Agencies (MOAs) in the upcoming fiscal year, aligning with the recently issued FY 2024 Budget Call Guidelines.

BARMM Senior Minister Abdulraof A. Macacua, representing Chief Minister Ahod Balawag Ebrahim, commended the tireless efforts of Bangsamoro public servants, emphasizing the collective responsibility to fulfill the aspirations of the Bangsamoro Government and uphold the principles of sound financial governance. MFBM Deputy Minister Amilbahar P. Amilasan, Jr. underscored the importance of moral governance, reinforcing the government's commitment to transparency, accountability, and integrity in policy and decision-making.

The event, featuring key presentations from MFBM Minister Ubaida C. Pacasem and Director Rahma D. Sanglitan, outlined the Budget Call Guidelines and indicative budget calendar. With 2024 marking the final full calendar year of the extended transition period, MFBM Technical Working Group Member Rasul M. Salik emphasized the critical role of the Bangsamoro Budget in implementing governance reforms and delivering promised public goods and services. This fifth Bangsamoro Budget Forum serves as a crucial milestone in the region's journey towards development, progress, and inclusivity.





MFBM Aligns Budget Proposals with Development Priorities

In a proactive move to enhance the effectiveness of budget preparations for the fiscal year 2024, the Ministry of Finance, and Budget and Management (MFBM) engaged in a coordination meeting with the Bangsamoro Planning and Development Authority (BPDA). The meeting, held on February 13 at the BPDA Conference Hall, Bangsamoro Government Center in Cotabato City, focused on reviewing budget proposals from Ministries, Offices, and Agencies. Bangsamoro Budget Office Director Rahma D. Sanglitan emphasized the importance of aligning all programs, activities, and projects with the 12-Point Priority Agenda and the Bangsamoro Development Plan to ensure strategic coherence.

Director General Mohajirin Ali of BPDA expressed appreciation for the MFBM's proactive approach to enhancing the budget preparation process. The meeting reflected the commitment to refining the crafting of budget proposals, ultimately leading to improved service delivery in the Bangsamoro region.



In a related initiative during the budget preparation phase, the Bangsamoro Budget Office (BBO) organized a coordination meeting with endorsing authorities, including the Ministry of Public Works, Ministry of Environment, Natural Resources and Energy, Bangsamoro Women Commission, and Information and Communications Office.

The meeting aimed to clarify the responsibilities of endorsing authorities once budget proposals are submitted for FY 2024, ensuring adherence to implementation standards outlined in the Bangsamoro Budget Call Guidelines. These strategic coordination efforts set the stage for a more streamlined and effective budgeting process aligned with the region's developmental goals.



BARMM Navigates the Mandanas-Garcia Ruling Impact with Strategic Workshop

In a bid to fortify local governance and elevate transparency and accountability within the Bangsamoro Autonomous Region, a two-day workshop unfolded on May 6-7, 2023, in Mandaluyong City, meticulously addressing the implications of the Mandanas-Garcia Ruling on the BARMM. The gathering brought together key officials from various Ministries and Offices, including luminaries such as Minister of Finance and Budget Management Ubaida Pacasem, Minister of Social Services and Development Raisa Jajurie, Minister of Health Rizaldy Piang,

Minister of Trade, Investment, and Tourism Abu Amri Taddik, and Minister of Agriculture, Fisheries, and Agrarian Reform Mohammad Jacob.

Designed as a collaborative platform, the workshop facilitated discussions, formulation, and presentations of individual frameworks by the Ministries, seeking to harness the expertise of a panel of experts. The valuable insights garnered from this dynamic exchange will be instrumental in crafting a comprehensive roadmap for the BARMM's administrative and financial decentralization process.

This strategic plan aims to streamline intergovernmental functional and expenditure assignments, guiding the region toward a more efficient and responsive governance structure that better serves its constituents. Jointly hosted by the Asian Development Bank (ADB) under the leadership of Aekapol Chongvilaivan, Senior Economist (Public Finance), Southeast Asia Department, and the Ministry of Finance and Budget Management (MFBM), the workshop stands as a pivotal step in empowering the BARMM's journey toward greater autonomy and governance efficacy.

BARMM Leaders Zero-in on Local Fiscal Matters in ADB Roundtable Discussion

In a collaborative effort to address local fiscal challenges, a Roundtable Discussion involving the Ministry of Finance and Budget and Management (MFBM), the Bureau of Local Government Finance (BLGF), and the Department of Budget and Management (DBM) transpired on May 4-5, 2023, at the Asian Development Bank (ADB) Headquarters in Mandaluyong City. The event, attended by Minister of Finance and Budget and Management Ubaida C. Pacasem and esteemed Members of Parliament, focused on fostering greater synergy for strengthened fiscal autonomy and resilience in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

Representatives from key partners, including the BLGF and the DBM, shared crucial insights on fiscal matters. OIC-Executive Dir. Ricardo L. Bobis and Acting Deputy Executive Dir. Pamela Quizon of BLGF provided valuable perspectives, while Dir. John Aries Macaspac and Chief Andrea Lorraine Salvador of the DBM contributed insights into fiscal issues. The ADB, represented by Sion Morton, Senior Economist (Public Finance), expressed unwavering support for BARMM's continuous development. During the discussions, participants delved into successful decentralization approaches from other countries, the history of decentralization in the Philippines, local finance reforms, and the impact of the Mandanas-Garcia Ruling on BARMM. Emphasizing a strong partnership between the National and Bangsamoro Governments, the event concluded with a commitment to optimizing shared responsibilities for enhanced public service delivery in the Bangsamoro Autonomous Region.



Building Fiscal Competence: Bangsamoro Government Completes Basic Fiscal Policy Training

In a strategic collaboration with the Asian Development Bank, the Ministry of Finance, and Budget and Management (MFBM) orchestrated the Basic Fiscal Policy Training from November 17, 2022, to February 02, 2023, in Manila, Philippines. Aimed at optimizing the public finance functions granted to the Bangsamoro Government by Republic Act No. 11054, key employees from the MFBM and the Bangsamoro Planning Development Authority (BPDA) engaged in a comprehensive training program.

The initiative comprised four days of face-to-face classes and nine virtual sessions, equipping participants with the necessary concepts and techniques to formulate, analyze, and implement policies supporting fiscal autonomy for economic self-sufficiency and genuine development in the region.

Renowned fiscal policy expert and University professor Dr. Renato R. Reside, Jr. led the training, offering insights into relevant policies, economic trends, and experiences not only in the Philippines but also in other jurisdictions. During the culmination activity, MFBM Minister Ubaida C. Pacasem emphasized the crucial role of unity across ministries and offices in achieving meaningful fiscal autonomy and enhancing public financial management in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

ADB Senior Economist for Public Finance, Mr. Aekapol Chongvilaivan, highlighted the necessity of contextualizing economic policies based on the unique realities and peculiarities of the locality, underscoring the importance of adapting strategies to the specific needs of the Bangsamoro region.



**ISLAMIC FINANCE
INITIATIVES**

BARMM Engages in Virtual Round Table on Islamic Finance Roadmap

On February 14, the Ministry of Finance and Budget and Management (MFBM), in collaboration with the World Bank, facilitated a virtual round table discussion (RTD) focused on the development and implementation of the Islamic Finance Roadmap.

The RTD provided an invaluable platform for the Bangsamoro Autonomous Region in Muslim Mindanao's (BARMM) Technical Working Group for Islamic Finance (TWG-IF) to tap into the experiences of international experts from Malaysia, Indonesia, and South Africa. The event aimed to foster a knowledge exchange, enabling the TWG-IF to gain insights into the key ecosystems necessary to support the advancement of Islamic finance within the Bangsamoro region.

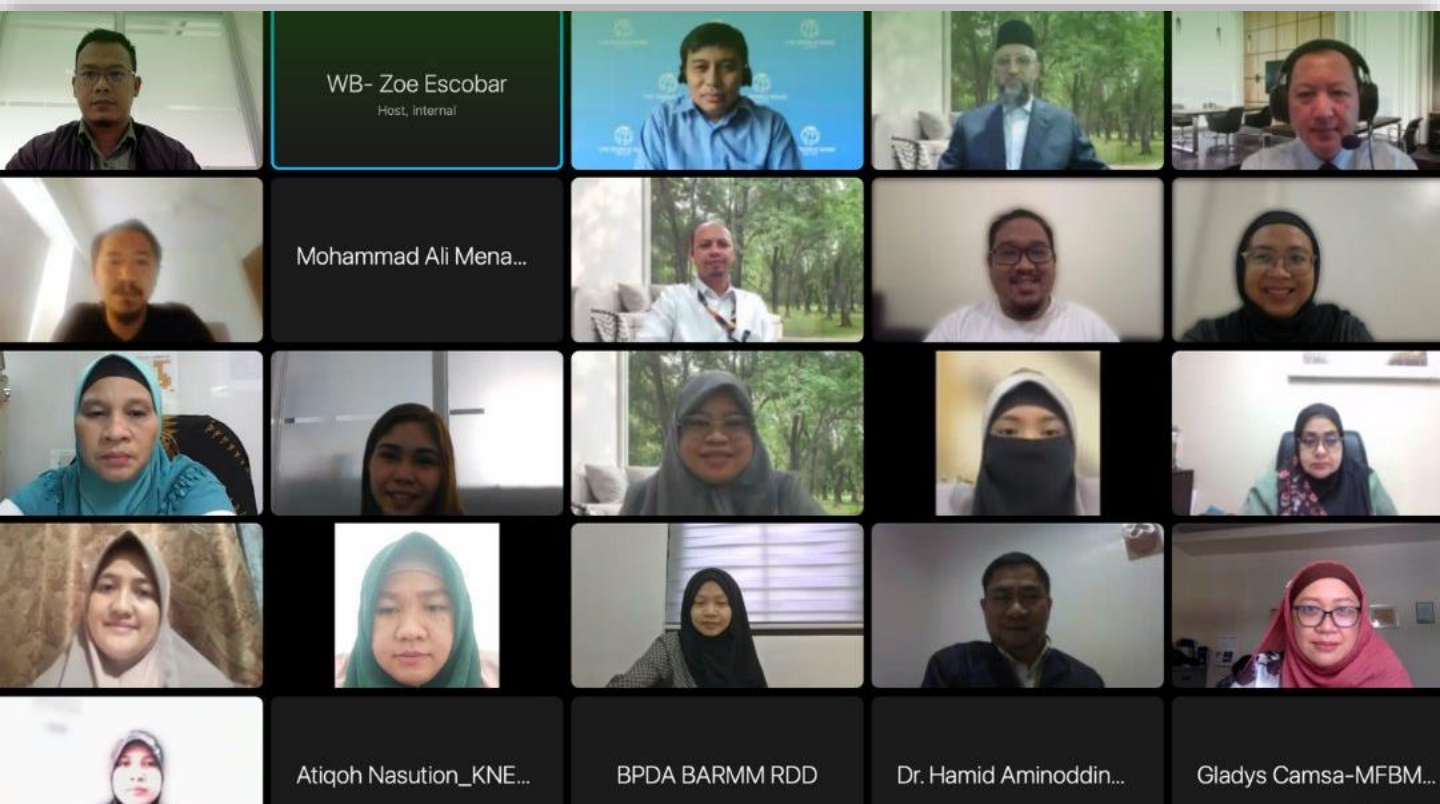
Among the crucial topics discussed during the RTD were potential issues and challenges that might arise during the implementation of the Islamic Finance Roadmap, as well as the formulation of performance indicators and measurements.

Additionally, there was an exploration of integrating the Islamic Finance roadmap into the broader development of a halal ecosystem, further emphasizing the comprehensive and strategic approach undertaken by BARMM in advancing its financial and economic frameworks.

MFBM Engages in Technical Dialogue for Strategic Collaboration

In a significant stride towards promoting Islamic finance and banking in the Philippines, the Ministry of Finance, and Budget and Management (MFBM), represented by the Bangsamoro Finance Office (BFO), actively participated in the Technical Dialogue on Islamic Finance and Banking, organized by the Asian Development Bank (ADB) in Manila, Philippines. The meeting, held to foster a comprehensive whole-of-government approach, brought together key stakeholders to explore avenues for expediting the planning and implementation of Islamic finance initiatives by both national agencies and the Bangsamoro Government.

Facilitated by the esteemed Islamic Finance Advisory and Assurance Services (IFAAS), an international advisory firm, the dialogue focused on formulating action plans to hasten the maiden issuance of sukuk in the Philippines. Additionally, it aimed to stimulate greater involvement of market players in Islamic banking and Takaful, while also emphasizing the importance of enhancing the technical capacity on Islamic finance among local Shari'ah scholars. The event saw the active participation of the Bangko Sentral ng Pilipinas (BSP), Bureau of the Treasury (BTr), and the Office of MP Anna Tarhata Basman, reflecting a collaborative effort towards advancing the landscape of Islamic finance in the country.





MFBM continues Islamic Finance Capacity Development Initiatives

In an effort to bolster the integration of Shari'ah-compliant finance within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Ministry of Finance, and Budget and Management (MFBM), in collaboration with the Bangsamoro Finance Office (BFO), has unveiled a series of capacity development programs for the fiscal year. These initiatives aim to assist BARMM ministries and offices in formulating programs, activities, and projects (PAPs) aligned with Section 28 of the General Appropriations Act of the Bangsamoro for FY 2023. A key highlight of this endeavor was the Basic Course on Islamic Finance held on March 8 and 9, organized by MFBM in conjunction with the Bangko Sentral ng Pilipinas (BSP) and the Asian Development Bank (ADB).

The two-day training witnessed the participation of 36 key personnel from various ministries and offices, each eager to deepen their understanding of Islamic Finance. Facilitated by the international advisory firm, Islamic Finance Advisory and Assurance Services (IFAAS), the course covered fundamental principles and concepts, including commercial contracts, Shari'ah governance, Islamic banking products, Islamic capital markets, takaful, and the Islamic Finance policy framework. Ministries and offices ranging from the Office of the Chief Minister to the Cooperative and Social Enterprise Authority - BARMM actively engaged in the training, marking a collaborative effort toward enhancing financial frameworks within the region.



1st Bangsamoro Business Congress Charts a Path for Islamic Finance and Halal Hub

In a groundbreaking address at the 1st Bangsamoro Business Congress on January 18 at Cotabato State University, MFBM Minister Ubaida Pacasem articulated the determined vision of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) to become the central hub for the Halal industry and Islamic finance in the Philippines. Minister Pacasem underscored the region's unparalleled potential, boasting the largest concentration of Muslims in the country and a strategically advantageous location near significant Muslim markets like Indonesia and Malaysia.

Emphasizing the imminent development of a comprehensive roadmap, Minister Pacasem outlined the Bangsamoro Government's commitment to not just making Islamic finance available or operational but ensuring its functionality to cater to the specific needs of its people. He asserted the importance of being mindful of the region's capabilities and limitations while steadfastly focusing on the overarching goal of uplifting the lives of the Bangsamoro people and driving shared prosperity for all Filipinos, regardless of their religious affiliations. The 1st Bangsamoro Business Congress stands as a pivotal moment in realizing this vision, setting the stage for the region to emerge as a dynamic force in the realms of Islamic finance and the Halal industry.



MFBM initiates Executive Program on Islamic Finance for BTA Parliament

In a concerted effort to champion Islamic Finance within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Ministry of Finance and Budget and Management (MFBM), in collaboration with the Bangsamoro Finance Office, recently hosted an Executive Program on Islamic Finance for the Bangsamoro Transition Authority (BTA) Parliament. Co-organized with support from the World Bank Manila Office, under the auspices of the Government of Korea and the Seoul Center for Finance and Innovation Trust, the program unfolded in two impactful batches on June 5-6 and June 8-9 in Manila.

During the program, MFBM Minister Ubaida Pacasem delivered a poignant speech, emphasizing the profound connection between Islamic finance and the Bangsamoro struggle.

He highlighted the role of Islamic finance as a crucial tool to address the low rate of financial inclusion in the region, pointing out that the absence of an alternative financial system tailored to the needs, identity, way of life, and aspirations in the Bangsamoro is a core challenge affecting overall quality of life.

The Executive Program became a conduit for high-level discussions, focusing on fundamental principles, nominated contracts of Islamic Finance, practical integration in government services, legal dispute resolution mechanisms, and the Islamic finance framework for subnational governments. Minister Pacasem expressed optimism that the knowledge garnered from the program would pave the way for the creation of bills and policies expediting the development of Islamic finance in the BARMM for the benefit of the Bangsamoro.





**SUPPORT TO
IFPB AND SSB**



IFPB Greenlights ODA Guidelines, Paving the Way for Socio-Economic Upliftment in BARMM

In a significant development, the Intergovernmental Fiscal Policy Board (IFPB), led by Finance Secretary Benjamin Diokno and Bangsamoro Government's Minister of Finance, Budget, and Management Ubaida Pacasem, marked a milestone during its 6th Meeting on November 22 by approving the guidelines on Official Development Assistance (ODA) loans for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

These guidelines, encompassing loans from foreign governments, agencies, multilateral institutions, or organizations, are poised to play a pivotal role in shaping the economic landscape of the Bangsamoro region. The green light for the ODA guidelines sets in motion a series of aids aimed at bolstering socio-economic development and enhancing the overall welfare of the Bangsamoro people through the implementation of priority development programs and projects.

The meeting witnessed the active participation of key officials from the National Government, including Department of Finance (DOF) Undersecretary Bayani Agabin and Department of Trade and Industry (DTI) Assistant Secretary Agaton Teodoro Uvero. Representatives from the Bangsamoro Government, including Minister of Trade, Investments, and Tourism Abuamri Taddik, Bangsamoro Planning and Development Authority (BPDA) Director General Mohajirin Ali, and Bangsamoro Finance Director Sittie Amirah Pendatun, added valuable insights to the discussion.

Also present were DOF OIC-Undersecretary Dakila Elteen Napao, DBM Principal Economist Joselito Basilio, DOF OIC-Assistant Secretary Jenaira Mae Jalasco, DFA Deputy Assistant Secretary Maria Cynthia Pelayo, OICS-DFA Director Ajeet Victor Panemanglor, Head of the MFBM BARMM Legal and Legislative Liaison Rasul Salik, and Head of the Organization and Systems Improvement Division (MFBM OSID) Billie Juharah Ogca. Alongside the ODA approval, the meeting delved into discussions on the Draft Implementing Rules and Regulations (IRR) of Sections 12, 31, and 32, Article XII of the BOL, as well as National Taxes, Fees, and Charges Collected in the BARMM, addressing critical aspects of governance and fiscal policy.



Shari'ah Supervisory Board Inaugurates Mission to Shape Islamic Finance Landscape

In a landmark event, the Shari'ah Supervisory Board (SSB) of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) convened its inaugural meeting on December 15, 2023. Established through a Joint Circular on April 26, 2022, in accordance with the Bangsamoro Organic Law (BOL), the SSB is mandated to provide Shari'ah opinions on Islamic banking transactions and products, overseeing the ethical and Islamic financial practices of financial institutions.

Chaired by Muhammad Nadzir Ebil and with Ashraf Bin Md Hashim as Deputy Chairperson, both esteemed figures in the realm of Islamic finance, the SSB embodies a significant step toward cultivating a robust Islamic banking and finance industry in the Philippines. The meeting addressed crucial preliminary matters, including the discussion of its By-Laws and delineation of key agenda items for the ensuing years.

BARMM Chief Minister Ahab Ebrahim emphasized the board's pivotal role, expressing confidence that the SSB, tasked with overseeing Islamic banking operations, will be instrumental in propelling economic prosperity. DOF Undersecretary Bayani H. Agabin acknowledged the importance of fostering a vibrant Islamic banking and financial ecosystem for genuine and inclusive prosperity.

The afternoon session saw the announcement of key appointments, signifying the official commencement of the SSB's operationalization. Muhammad Nadzir Ebil, currently the Dean of Graduate Studies and Kulliyah of Shari'ah Jamiat Cotabato, and Ashraf Bin Md Hashim, Chairman of Shari'ah Advisory Council Bank Negara Malaysia, will lead the board. The meeting laid the foundation for Islamic finance initiatives in the Bangsamoro region and the Philippines, with a commitment to promote ethical and Islamic financial practices.

 <p>MUHAMMAD NADZIR EBIL Dean, Graduate Studies and Kulliyah of Shari'ah Islam Cotabato Chairperson, Shari'ah Supervisory Board</p>	 <p>ASHRAF BIN MD HASHIM Chair, Shari'ah Advisory Council Bank Negara Malaysia Deputy Chairperson, Shari'ah Supervisory Board</p>	 <p>MOHAMMAD S. YACOB Member, PTA Parliament Senator, BARMM Chairperson, Technical Working Group for Islamic Finance in the Philippines Member, Shari'ah Supervisory Board</p>	 <p>BAYANI H. AGABIN Undersecretary, Department of Finance Member, Shari'ah Supervisory Board</p>	
 <p>ARIFA A. ALA Visiting Associate, Faculty of Islamic Studies Member, Shari'ah Supervisory Board</p>	 <p>ALEAH S. MARABUT BIM, A-Program Chair, National Commission on Muslim Filipinos Member, Shari'ah Supervisory Board</p>	 <p>RUSNI BINTI HASSAN Dean, Institute of Islamic Banking and Finance International Islamic University Malaysia Member, Shari'ah Supervisory Board</p>	 <p>ABDULWAHID A. INJI Multi-Practitioner of Law Firm Member, Shari'ah Supervisory Board</p>	 <p>SALIH D. MUSA Member, School of Al-Islamic Studies Faculty of Islamic Studies Member, Shari'ah Supervisory Board</p>



REVENUE

STRENGTHENING EFFORTS



Ministry of Finance Engages Stakeholders in Enhancing Bangsamoro Revenue Code for Fiscal Autonomy

In a proactive move towards fostering robust fiscal policies, the Ministry of Finance and Budget and Management (MFBM) spearheaded a three-day focus group discussion (FGD) on the Bangsamoro Revenue Code. Held from February 8 to 10, 2023, at the Al-Nor Hotel and Convention Center in Cotabato City, the event brought together key stakeholders, including the Bangsamoro Barter Trade Council, the Bangsamoro Business Council, business owners, local treasurers, Ministry of Public Works, and the Cotabato City Engineer's Office.

The primary objective of the FGD was to collect pertinent and current information vital for the enhancement of the Bangsamoro Revenue Code, identified as a key priority code in Republic Act No 11054. The Bangsamoro Revenue Code Project Team presented the existing tax structure and collection procedures, along with proposed revisions, facilitating a collaborative exchange of insights, concerns, and suggestions from participants.

Minister Ubaida Pacasem, from MFBM, underscored the importance of transparent and constructive dialogue in shaping the code to fortify fiscal autonomy in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). The input gathered will contribute to refining the draft before it undergoes further public consultation and Cabinet submission, aiming to optimize fiscal autonomy for the overall benefit of the Bangsamoro Government, various government tiers, and the Bangsamoro people.



Empowering Local Governments: Updates on Revenue Sharing in the Bangsamoro Autonomous Region

In an initiative aimed at bolstering fiscal autonomy and revenue generation, the Bangsamoro Treasury Office (BTO) conducted a three-day event titled "Updates on Local Government Unit (LGU) Share in the National Taxes, Fees, and Charges Collected in the Bangsamoro Autonomous Region." Held from February 14 to 16, 2023, under the auspices of the Ministry of Finance, and Budget and Management (MFBM), the activity was designed to equip LGUs across Maguindanao Province and Special Geographic Areas, such as Datu Odin Sinsuat, Datu Blah Sinsuat, Talitay, Sultan Kudarat, and others, with crucial knowledge and skills. Bangsamoro Treasurer Naila Z. Dimaraw emphasized the pivotal role of this initiative in enhancing the social delivery of basic services, thereby fortifying fiscal viability and local autonomy.

Meanwhile, in Basilan, the BTO extended its efforts to stimulate economic growth through the "Orientation and Updates on the Share of Local Government Units (LGUs) on National Taxes, Fees, and Charges" on May 15, 2023, in Isabela City. Treasurer Naila Dimaraw elucidated the key features of MILG-MFBM Joint Memorandum Circular No. 2022-01 during the session. MFBM Deputy Minister Amilbahar Amilasan, Jr underscored the importance of revenue generation for LGUs in the BARMM, emphasizing its significant impact on future shares and the subsequent benefit to the Bangsamoro people. The BTO's commitment to enhancing revenue collection and safeguarding funds remains steadfast, aligning with its core function within the Bangsamoro Government.



Bangsamoro Ministries Honored for Outstanding Tax Contributions, Pledge to Transform Tax Collection Process

In a notable recognition ceremony during the kick-off event for the Bureau of Internal Revenue (BIR) Tax Campaign on March 2 at the BIR Building, SK Pendatun St., Cotabato City, five key Ministries from the Bangsamoro Government were acknowledged as the largest tax contributors in Revenue District No. 107 for the taxable year 2021. The honored Ministries include the Office of the Chief Minister (OCM), Bangsamoro Transition Authority (BTA), Ministry of Health (MOH), Ministry of Public Works (MPW), and Ministry of Basic, Higher and Technical Education (MBHTE).

MFBM Minister Ubaida Pacasem, representing BARM Chief Minister Ahod Ebrahim, emphasized the government's commitment to enhancing the tax collection process through digital transformation. Pacasem articulated the collaborative efforts between the Bureau of Internal Revenue and the Bangsamoro Government, aiming for an efficient and effective tax system. He expressed the government's dedication to developing a Bangsamoro Revenue Code that aligns with the region's unique characteristics, focusing on efficiency, transparency, and equity. Pacasem acknowledged taxes as a necessary obligation but underscored the importance of a fair and reasonable process, especially for the Bangsamoro community.

The event witnessed the presence of key officials from the Bangsamoro Government and Cotabato City Government, including Bangsamoro Treasurer Naila Dimaraw and City Vice Mayor Johari "Butch" Abu, along with representatives from the business sector, such as Cotabato Grocers Association's Oscar Tan-Abing, Cotabato City Bookkeepers Association's Conrado Pioquinto, and PICPA Cotabato City. The gathering highlighted the vital role of taxes in supporting and enhancing economic activities within the Bangsamoro region, fostering a spirit of cooperation between government bodies and the business community.





Philippine Airlines' Inaugural DPSC Remittance Marks Pioneering Step in Regional Collaboration"

In a landmark event that resonated with the spirit of partnership and progress, the MFBM-Bangsamoro Treasury Office and MOTC-Bangsamoro Airport Authority orchestrated the remittance of Php928,935.00 as the 1st Domestic Service Passenger Service Charge (DPSC) from Philippine Airlines. The ceremony unfolded on March 7 at the MFBM Conference Room, MFBM Building, Bangsamoro Government Center, underscoring the significance of the Memorandum of Agreement (MOA) inked in January 2023.

The DPSC, commonly known as the passenger terminal fee of P150.00, represents a collective commitment to regional growth. Levied on tickets for flights departing from the region's airports, this fee is meticulously collected by air carriers and remitted directly to the MFBM-Bangsamoro Treasury Office, forming an essential financial contribution to the local economy. PAL Sales Manager Delfin Tubera, Jr. affirmed this commitment in his message, citing the airline's enduring four-decade partnership with the Bangsamoro Autonomous Region and its pivotal role in fostering progress through reliable airport transport services.

The Ministry of Transportation and Communications (MOTC) emerged as a key revenue producer, remitting Php87.1 million to the BTO for FY 2022. Treasurer Dimaraw congratulated the diverse sectoral offices within MOTC, including the Land Transportation Office, the Bangsamoro Maritime Industry Authority, the Bangsamoro Ports Management Authority, and the Bangsamoro Telecommunications Commission, for their concerted efforts in achieving this remarkable milestone.

MFBM Deputy Minister Amilbahar Amilasan, Jr. echoed this sentiment, emphasizing the event's broader significance for the entire Bangsamoro, marking the first DPSC remittance from Philippine Airlines. As the ceremonial cheque was awarded to MOTC Minister Paisalin Tago, MFBM Deputy Minister Amilbahar Amilasan Jr., MOTC Deputy Minister Roslaine Maniri, and Bangsamoro Treasurer Naila Dimaraw, the occasion reflected a promising collaborative venture aimed at stimulating economic growth and fostering improved communication at the grassroots level within the Bangsamoro Autonomous Region.

Bangsamoro Treasury Office partners with National Government's Bureau of Treasury

The Bangsamoro Treasury Office (BTO) recently orchestrated a Coordination Meeting with the National Government's Bureau of Treasury. This collaborative session, held in Manila, Philippines, was strategically designed to delve into vital aspects of accounting and reporting, with a specific focus on investments, non-financial assets, and real properties within the region.

The central objective of the meeting was not only to streamline accounting procedures but also to formulate comprehensive investment strategies tailored to the unique needs and aspirations of the Bangsamoro Government. The engagement signifies a proactive effort to boost the investment climate in BARMM, laying the groundwork for effective collaboration between the regional and national entities. As both parties came together to deliberate on these crucial matters, the Coordination Meeting served as a pivotal step in aligning financial practices and fostering synergy to propel economic development in the Bangsamoro region.



**UPGRADING
ASSET MANAGEMENT**



Fostering Fiscal Autonomy: Bangsamoro Treasury Hosts Annual Revenue Collection Forum



In a proactive move towards achieving greater fiscal autonomy, the Bangsamoro Treasury Office (BTO), operating under the Ministry of Finance and Budget and Management, organized its Annual Bangsamoro Local Revenue Collection Forum on April 25. The event, held at the Robinson's Convention Hall, Mall of Alnor, Cotabato City, served as a platform to celebrate and recognize the outstanding collection performances of various ministries and offices for Fiscal Year 2022.



The Ministry of Public Works (MPW), Ministry of Transportation and Communications (MOTC), and the Ministry of Environment, Natural Resources and Energy (MENRE) emerged as the top three awardees for the highest collecting ministries. MFBM Deputy Minister Amilbahar P. Amilasan, Jr. emphasized the forum's significance as a testament to the positive transformations within the region, motivating all ministries and offices to collaborate in reaching their annual collection targets. Underlining the transition phase, Deputy Minister Amilasan acknowledged the sustained local revenue collection efforts despite ongoing capacity development, highlighting the remarkable change in performance from 2019 to 2022 aligned with the Bangsamoro agenda of moral governance.



During the forum, Bangsamoro Treasurer Naila Z. Dimaraw unveiled the collection target for Fiscal Year 2023, along with forthcoming enhancements in collections and deposits. These improvements are strategically aligned with the government's digitalization program, aiming for enhanced revenue collection performance, and increased economic transparency in the region. The Annual Bangsamoro Local Revenue Collection Forum thus stands as a pivotal initiative in fostering collaborative efforts for fiscal self-sufficiency within the Bangsamoro region.



Harmonizing Fiscal Practices: MFBM Facilitates Forum on Auditing Rules and Regulations

In an effort harmonizing fiscal practices, the Ministry of Finance, and Budget and Management (MFBM), through the Bangsamoro Treasury Office, orchestrated a Level-off Forum on May 18. The forum, held at the Grand Pagana Hall, brought together the region's Commission on Audit (COA-BARMM) and various Ministries, Offices, and Agencies (M/O/As) to delve into current guidelines and integrate COA accounting and auditing standards concerning collections and deposits.

Bangsamoro Treasurer Naila Z. Dimaraw emphasized the forum's significance as a pivotal follow-up to the recently conducted Bangsamoro Local Revenue Collection Forum. With the primary aim of ensuring compliance and uniformity across different Ministries and Offices, the forum focused on existing accounting and auditing rules and regulations pertaining to taxes, fees, and charges, as outlined in the Bangsamoro Organic Law.

MFBM Minister Ubaida C. Pacasem expressed gratitude to COA-BARMM for its technical assistance and called upon participating M/O/As to collaborate in enhancing the region's financial transactions. Minister Pacasem highlighted the critical role of revenue generation pioneers, stressing the importance of benchmarking best practices and formulating pragmatic strategies within accepted principles. COA-BARMM Director Rasyd M. Guiling commended MFBM's dedication to providing a platform for addressing issues, underscoring the forum's role in enhancing fiscal autonomy through collaborative problem-solving.



BTO Guides Coordination Meeting for FY 2024 Revenue Estimates

With a firm commitment to prudent fiscal management, the Ministry of Finance, and Budget and Management's (MFBM) Bangsamoro Treasury Office (BTO) orchestrated a Coordination Meeting on the Finalization of FY 2024 Bangsamoro Local Revenue Collection Estimates. The meeting, convened on August 24 at the Pagana Kutawato Hall, Cotabato City, aimed to chart a robust strategy for revenue generation, recognizing the significance of each centavo in the Bangsamoro Government's budget.

In pursuit of its mandate, the BTO continuously enhances local revenue collection by strengthening fund management services. The primary goal is to ensure the availability of funds for Ministries, Agencies, or Offices, fostering cohesive operations and facilitating impactful changes within the Bangsamoro community. The coordination meeting serves as a crucial platform for aligning fiscal efforts, empowering the Bangsamoro Autonomous Region to undertake large-scale projects and efficiently deliver vital services to its constituents.

This collaborative approach reflects the Bangsamoro Government's dedication to meticulous fiscal planning, setting the stage for strategic financial management and transformative initiatives that will benefit the region's development.



MFBM-BTO Hosts Cash Management Operations Training



In a concerted effort to fortify fiscal efficiency and instill best practices in cash management within the Bangsamoro Government, the Ministry of Finance and Budget and Management- Bangsamoro Treasury Office (MFBM-BTO), in collaboration with the Bureau of the Treasury- Regional Office No. XII, organized a comprehensive Cash Management Operations Training from September 28-29, 2023, at the Grand Summit Hotel in General Santos City. Regional Director Rulan Aechylus V. Egalin and BTr-XII officials spearheaded the training, delving into crucial aspects of cash management, treasury functions, cash receipts management, and fund transfer management at the regional level.



Director Egalin, underscoring the Ministry's initiatives, expressed full support for establishing an efficient cash management system. He emphasized the pivotal role of the BTO in formulating relevant policies to enforce controls, ensuring fiscal stability, and fostering growth in the region. Bangsamoro Treasurer Naila Z. Dimaraw extended her gratitude to the BTr-XII officials, acknowledging their partnership in advancing moral governance by providing technical expertise in treasury operations.



As the Bangsamoro Government adopts centralized government cash balances, the training emphasized the importance of strong institutional interaction. This involves information sharing among cash managers, revenue-collecting agencies, and spending ministries, coupled with robust coordination in cash management. Bangsamoro Treasurer Dimaraw expressed hope that participants would apply the essential learnings to enhance BTO processes and strategies, paving the way for continuous improvement and benchmarking with national government agencies and financial institutions in the future. The collaborative learning environment signifies the ongoing commitment of MFBM-BTO to strive for fiscal excellence within the Bangsamoro region.



MFBM and ADB Collaborate in Revenue Forecasting Training

In pursuit of a robust institutional framework to propel economic growth in the Bangsamoro Autonomous Region, the Ministry of Finance, and Budget and Management (MFBM), in conjunction with the Bangsamoro Treasury Office (BTO) and the Asian Development Bank (ADB), orchestrated a comprehensive two-day training on Revenue Forecasting. The training, held on August 14-15, 2023, unfolded at the ADB Headquarters in Ortigas Center, Mandaluyong City, drawing the participation of economic managers from various Ministries, Offices, and Agencies within BARMM.

Designed to equip participants with the essential tools for successful tax reforms, the training covered a spectrum of topics, including the economic foundations of tax policy, revenue forecasting, and statistical techniques. Encompassing a diverse range of taxes such as value-added tax, personal and corporate income tax, excises, property tax, trade taxes, and taxes on natural resources, the sessions aimed to enhance the capacity of economic managers in implementing effective fiscal policies. The MFBM-BTO recognized the ongoing need for such training initiatives, emphasizing their role in aiding policymakers to formulate sound public policies and plan spending programs based on projected revenues.

The collaborative effort between MFBM, BTO, and ADB reflects a commitment to fostering expertise within the region, laying the groundwork for informed decision-making and sustained economic development in the Bangsamoro Autonomous Region.





FOSTERING
COLLABORATION



MFBM and GCG Forge Collaboration for Emerging GOCCs in BARMM

In a positive move to fortify the landscape of emerging Government-Owned and Controlled Corporations (GOCCs) in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Ministry of Finance, and Budget and Management (MFBM), under the leadership of Minister Ubaida C. Pacasem, and the Governance Commission for Government-Owned and Controlled Corporations (GCG), led by Chairperson Marius Corpus, convened on August 18. Recognizing the pivotal role of GOCCs as instruments for economic development, both parties underscored the need for coordination to ensure alignment with national regulations and the provisions of the Bangsamoro Organic Law.



During the meeting, Minister Pacasem emphasized the essential role of collaboration between the GCG and the Bangsamoro Government, laying the groundwork for strategic alignment. Commissioner Geraldine Marie Berberabe-Martinez, Commissioner Brian Keith Hosaka, and other senior officials attended the gathering, emphasizing the importance of a united approach towards fostering the growth of GOCCs in BARMM.



The positive conclusion of the meeting reflects the strong commitment of both MFBM and GCG to deepen their cooperation in the future. This collaborative effort ensures that BARMM's GOCCs will thrive within a framework that aligns regional goals with national guidelines, setting the stage for sustainable economic development in the Bangsamoro region.

MFBM Engages with COA on Expenditure Rules

In a dedicated effort to bolster budget accountability within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Bangsamoro Treasury Office, under the Ministry of Finance, and Budget and Management, convened a crucial meeting on February 13. The gathering, held at the Pagana Kutawato Hall in Cotabato City, brought together the Bangsamoro Treasury Office, represented by Treasurer Naila Z. Dimaraw, and the Commission on Audit (COA) BARMM, led by Director Rasdy M. Guiling. The primary focus of the meeting was to address concerns related to budget accountability, collection, and deposits.



Treasurer Dimaraw highlighted the significance of the meeting, emphasizing its role in generating actionable insights to enhance compliance among Ministries, Offices, and Agencies within the region. Director Guiling expressed his support for the Ministry's initiatives, indicating plans for a regionwide Entrance Conference to delve into matters pertaining to COA policies, rules, and regulations. Bangsamoro Budget Office Director Rahma D. Sanglitan contributed to the dialogue by presenting common issues and concerns encountered by the Ministry during the Directives, Accomplishments, and Performance Assessment Tracking (DAPAT) meetings, shedding light on challenges faced by various entities in presenting their physical and financial reports to the panel. The meeting underscored the commitment to fostering transparency and adherence to expenditure rules for the betterment of the Bangsamoro region.





World Bank Group Renews Commitment to Boost Economic Opportunities in BARMM

The World Bank Group has reaffirmed its commitment to collaborate with the Ministry of Finance, and Budget and Management (MFBM) in enhancing economic and digitalization opportunities within the Bangsamoro Autonomous Region. The discussion took place during a meeting held on February 15 at the MFBM Building, Bangsamoro Government Center.

Ndiame Diop, the World Bank Country Director, engaged in dialogue on potential joint ventures focusing on tax, expenditure management, and Islamic Finance. These initiatives are expected to make substantial contributions to the socioeconomic landscape of the BARMM. Diop expressed the World Bank's continued support for the region, particularly emphasizing the importance of effective tax administration and public investment management. Minister Ubaida C. Pacasem echoed the commitment of the MFBM to strengthen finance and budget management in the Bangsamoro Government, outlining key priorities such as institutionalizing zakat and waqaf and seeking assistance in establishing Government-Owned and Controlled Corporations.

Minister Pacasem further highlighted the ongoing efforts in e-governance and digitalization, aligning with the 12-Point Priority Agenda of BARMM and adhering to the National Government's standards. Diop proposed tax administrative reforms, emphasizing the need for an integrated and top-of-the-line system within the Bangsamoro Revenue Office.

The meeting concluded with expressions of gratitude from Minister Pacasem for the unwavering support of the World Bank since the ratification of the Bangsamoro Organic Law. Attendees included officials from MFBM, such as Bangsamoro Treasurer Naila Dimaraw and Bangsamoro Budget Office Director Rahma Sanglitan, alongside World Bank Group members Director Soukeyna Kane, Manager Nabila Assaf, and Consultant Michael Frank Alar.





World Bank Pledges Ongoing Support for Tax Reforms in the Bangsamoro Government

In a commitment to fostering tax reforms within the Bangsamoro Government, the World Bank reiterated its dedication during a courtesy meeting and workshop on tax policy and tax administration held from January 10-11, 2023. The initiative aligns with the 12-Point Priority Agenda (2023-2025) of the Bangsamoro Government for a Stronger BARMM Bureaucracy, Revenue Generation, and Comparative Advantage. The focus on tax reforms supports the Ministry of Finance, and Budget and Management's (MFBM) mission to fortify financial management in the BARMM.

The envisioned tax reforms aim to create an environment conducive to robust economic growth, enhancing the region's capacity for revenue generation through a fairer, simpler, and more efficient tax system. This strategic approach is poised to contribute significantly to the realization of the Bangsamoro Government's development goals, emphasizing job creation and accelerated poverty reduction.

The World Bank, a longstanding partner since the ratification of the Organic Law of the Bangsamoro, led the mission with officials including Senior Public Sector Specialist Viet Ang Nguyen, Senior Tax Advisor Rick V. Fisher, and others. MFBM officials, including Minister Ubaida Pacasem, Deputy Minister Amilbahar Amilasan Jr., Bangsamoro Treasurer Naila Dimaraw, and Legal and Legislative Liaison Division Head Rasul Salik, actively participated, alongside representatives from various BARMM ministries and offices. Anticipated follow-through activities throughout the year underscore the ongoing collaboration between the World Bank and the Bangsamoro Government in their shared pursuit of economic growth and fiscal sustainability.





**ELEVATING
PFM COMPETENCY**



Strengthening Public Financial Management for Transparent Governance

In a concerted effort to enhance the capabilities of public financial practitioners across the provincial offices and agencies of the Bangsamoro Government, the Ministry of Finance, and Budget and Management (MFBM), in collaboration with the Department of Budget and Management (DBM) and the Japan International Cooperative Agency (JICA), executed a comprehensive five-day course program in Zamboanga City from October 16 to 20, 2023. This initiative aimed to decentralize public financial management (PFM) practices, ultimately fortifying open and transparent governance within the provincial line offices and agencies.

The PFM Course Program served as a strategic platform, fostering an environment conducive to the enhancement of efficiency, transparency, and accountability in the utilization of public funds. Embracing an on-site approach, the training facilitators concentrated on topics deemed "fit-to-purpose," ensuring their relevance to the local context. Moreover, the program incorporated in-depth coaching and mentoring models, tailored to capacitate and instigate improvements in the day-to-day financial operations of the practitioners.

Ubaida C. Pacasem, Minister of Finance, and Budget and Management, emphasized the Bangsamoro Government's commitment, led by Chief Minister Ahod Ebrahim, to advance service delivery through improved governance. "Public Financial Management (PFM) holds a pivotal role in the development of any nation. According to the International Monetary Fund, countries with strengthened PFM processes are more likely to deliver improved public investment and service delivery outcomes. That is how important it is to strengthen our region's PFM system," Pacasem added.

DBM Secretary Amenah Pangandaman shared her aspirations for the Bangsamoro Government, expressing optimism for a thriving region. Pangandaman also acknowledged the indispensable role of PFM practitioners in bridging the needs of the people to the government, making the PFM system more responsive and people-centered. She affirmed that these accomplishments would not be possible without the dedication of these practitioners.

The Course Program for BARMM provincial PFM practitioners is slated to continue, with the second phase scheduled for the 1st quarter of FY 2024. As the initiative progresses, it is expected to further empower practitioners and contribute to the overarching goal of achieving transparent, accountable, and efficient governance in the Bangsamoro region.





MFBM reaped awards during the Public Financial Management Competency Program Recognition Ceremony

In a distinguished ceremony held at Joya Hall, Heritage Hotel Manila, Pasay City, on December 7, 2023, the Department of Budget and Management (DBM) recognized the Ministry of Finance, and Budget and Management (MFBM), along with Minister Ubaida C. Pacasem, for their pivotal role in the Public Financial Management Competency Program (PFMCP). Launched in 2015 as a competency-based training initiative to address gaps in Philippine Government PFM learning and development programs, the PFMCP has evolved over the years, guided by the collaborative efforts of the MFBM, DBM, and Japan International Cooperation Agency (JICA) since 2019.

The Recognition Ceremony, organized by the Advocacy Communications and Training Service (DBM-ACTS), celebrated the program's accomplishments and recognized individuals who significantly contributed to its development and establishment. Minister Pacasem was honored under the Pillars Category for his instrumental role in the development, roll-out, establishment, and sustainability of the PFMCP. Internal Audit Director Fatima Mending-Abas and the Bangsamoro Budget Office (BBO) were also acknowledged as PFMCP Champions and Partners, respectively, for their progressive support.

DBM Undersecretary Margaux V. Salcedo praised these exceptional individuals, emphasizing the program's expansion to the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), a focal point of DBM Secretary Amenah F. Pangandaman. Secretary Pangandaman expressed gratitude to everyone involved, highlighting the program's reach from Region I to BARMM and acknowledging DBM's continued support in advancing the PFMCP. The event concluded with a recognition of the collective dedication that has made the PFMCP a vital force in fostering financial management competence across the Philippines.





**ADOPTING
BEST PRACTICES**



Bangsamoro Budget Office Immersion Program with the Department of Budget and Management

Aiming to enhance public financial management within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), nineteen advocates from the Bangsamoro Budget Office (BBO) recently participated in an immersive program conducted by the Department of Budget and Management (DBM) Central Office and the Asian Development Bank. The program, held in Manila from November 7 to 9, 2023, aimed to familiarize BBO advocates with the best practices and techniques employed by the DBM, emphasizing essential elements of public sector budgeting, policy development, and the digitalization of budget and management processes.

BBO Director Rahma D. Sanglitan expressed sincere gratitude for the continuous support from MFBM's partners in advancing BARMM's aspirations to improve public financial management systems. Highlighting the significance of this FIRST Immersion Program for the Bangsamoro Budget Office, Director Sanglitan underscored its crucial role in propelling the region toward the vision of championing sound public financial management that embodies moral governance.

Sittie Aiza Aratuc-Ali, head of the Budget Execution and Preparation Division (BEPD), emphasized the commitment of MFBM to reinforce its workforce with the necessary skill sets and experiences to provide superior service to the Bangsamoro people. Quoting Chief Minister Ahod B. Ebrahim's sentiment during the submission of the Proposed Budget for FY 2024 to the BTA Parliament, Aratuc-Ali reminded participants of the guiding principle, "Sa Bawat Sentimo, Bangsamoro ang Sentro," reinforcing the collective responsibility towards a self-sufficient and well-functioning Bangsamoro Government.





Bangsamoro Treasury Office's Immersion Program with the Bureau of Treasury



In an endeavor to deepen their engagement in finance and public administration, the Bangsamoro Treasury Office (BTO) recently embarked on a comprehensive Immersion Program with officials from the National Government's Bureau of Treasury. The program, conducted in Manila from November 6 to 10, 2023, brought together a delegation led by MFBM Minister Ubaida C. Pacasem, alongside Deputy Minister Amilbahar Amilasan, Jr., Bangsamoro Treasurer Naila Dimaraw, Bangsamoro Finance Director Sittie Amirah Pendatun, Legal and Legislative Liaison Division Head Rasul Salik, and other dedicated MFBM-BTO employees.



Participants delved into the intricacies of government fund management during the program, gaining valuable insights into essential processes such as revenue collection, cash disbursement, debt management, and asset management—critical facets of any Treasury Office. The study visit provided a firsthand look at the Bureau of Treasury's practices in handling the issuance and management of government securities, offering a nuanced understanding of debt management strategies and techniques, as well as the delicate balance between budgetary needs, revenue collection, and borrowing requirements.

A key highlight of the immersion was the exploration of the responsibilities and functions of the Bureau of the Treasury within the national financial system. Participants delved into the complexities of financial instruments and markets, such as government securities and foreign exchange markets, fostering a profound appreciation for the intricate landscape of treasury operations. The Immersion Program proved to be a vital step in expanding the knowledge base of the Bangsamoro Treasury Office, ensuring a more robust and informed approach to financial management within the region.



Financial Accomplishment

FINANCIAL PERFORMANCE
FY 2023 APPROPRIATION AS OF DECEMBER 31, 2023
REGULAR MINISTRY/OFFICE (M/O) FUND – BY ALLOTMENT CLASS

Particulars	Amounts (in absolute values)				Budget Utilization Rate (%)		
	Appropriation	Allotment	Obligation	Disbursement	Appropriation		
					Allotment	Obligation	Disbursement
a	b	c	d	e	f=c/b	g=d/b	h=e/b
PS	180,073,409.00	100,985,691.21	97,305,480.55	97,287,420.67	56.08%	54.04%	54.03%
MOOE	174,908,776.00	174,908,776.00	108,238,883.73	96,809,794.24	100.00%	61.88%	55.35%
Capital Outlays	3,311,200.00	3,071,200.00	1,960,842.00	814,790.00	92.75%	59.22%	24.61%
TOTAL	358,293,385.00	278,965,667.21	207,505,206.28	194,912,004.91	77.86%	57.91%	54.40%

FINANCIAL PERFORMANCE
FY 2023 APPROPRIATION AS OF DECEMBER 31, 2023
REGULAR MINISTRY/OFFICE (M/O) FUND – BY FUND SOURCE

Particulars	Amounts (in absolute values)				Budget Utilization Rate (%)		
	Appropriation	Allotment	Obligation	Disbursement	Appropriation		
					Allotment	Obligation	Disbursement
a	b	c	d	e	f=c/b	g=d/b	h=e/b
PS	180,073,409.00	100,985,691.21	97,305,480.55	97,287,420.67	56.08%	54.04%	54.03%
MOOE	174,908,776.00	174,908,776.00	108,238,883.73	96,809,794.24	100.00%	61.88%	55.35%
Capital Outlays	3,311,200.00	3,071,200.00	1,960,842.00	814,790.00	92.75%	59.22%	24.61%
TOTAL	358,293,385.00	278,965,667.21	207,505,206.28	194,912,004.91	77.86%	57.91%	54.40%
By Fund Source:							
Regular M/O Fund	358,293,385.00	278,965,667.21	207,505,206.28	194,912,004.91	77.86%	57.91%	54.40%
SPF-PGF	3,337,744.00	3,337,744.54	3,337,744.47	3,337,744.47	100.00%	100.00%	100.00%
SPF – MPBF	1,040,000.00	1,040,000.00	1,040,000.00	1,040,000.00	100.00%	100.00%	100.00%
SPF-CF	1,230,000.00	1,230,000.00	1,230,000.00	1,230,000.00	100.00%	100.00%	100.00%
TOTAL	363,901,129.00	284,573,411.75	213,112,950.75	200,519,749.38	78.20%	58.56%	55.10%

FINANCIAL PERFORMANCE
FY 2023 APPROPRIATION AS OF DECEMBER 31, 2023
REGULAR MINISTRY/OFFICE (M/O) FUND – BY PROGRAM

Particulars	Amounts (in absolute values)				Budget Utilization Rate (%)		
	Appropriation	Allotment	Obligation	Disbursement	Appropriation		
					Allotment	Obligation	Disbursement
a	b	c	d	e	f=c/b	g=d/b	h=e/b
GAS	104,394,803.00	90,105,577.06	75,487,961.00	66,966,893.93	86.31%	72.31%	64.15%
PS	45,914,629.00	31,865,403.06	31,790,171.47	31,790,171.47	69.40%	69.24%	69.24%
MOOE	56,080,174.00	56,080,174.00	41,896,747.53	34,521,732.46	100.00%	74.71%	61.56%
Capital Outlays	2,400,000.00	2,160,000.00	1,801,042.00	654,990.00	90.00%	75.04%	27.29%
OSS	54,351,473.00	47,703,484.48	32,797,029.03	31,458,031.58	87.77%	60.34%	57.88%
PS	23,924,955.00	17,276,966.48	16,220,116.68	16,220,116.68	72.21%	67.80%	67.80%
MOOE	30,346,518.00	30,346,518.00	16,576,912.35	15,237,914.90	100.00%	54.63%	50.21%
Capital Outlays	80,000.00	80,000.00	0.00	0.00	100.00%	0.00%	0.00%

FINANCIAL PERFORMANCE
FY 2023 APPROPRIATION AS OF DECEMBER 31, 2023
REGULAR MINISTRY/OFFICE (M/O) FUND – BY PROGRAM

Particulars	Amounts (in absolute values)				Budget Utilization Rate (%)		
	Appropriation	Allotment	Obligation	Disbursement	Appropriation		
					Allotment	Obligation	Disbursement
a	b	c	d	e	f=c/b	g=d/b	h=e/b
Operations	199,547,109.00	141,156,605.67	99,220,216.25	96,487,079.40	70.74%	49.72%	48.35%
Program 1: Expenditure Management Program	88,963,093.00	65,635,786.24	44,694,425.79	43,965,981.91	73.78%	50.24%	49.42%
PS	52,939,190.00	29,611,883.24	27,634,495.63	27,616,435.75	55.94%	52.20%	52.17%
MOOE	35,742,703.00	35,742,703.00	16,980,030.16	16,269,646.16	100.00%	47.51%	45.52%
Capital Outlays	281,200.00	281,200.00	79,900.00	79,900.00	100.00%	28.41%	28.41%
Program 2: Asset Management Program	54,628,424.00	41,461,005.81	26,910,671.35	26,290,387.35	75.90%	49.26%	48.13%
PS	27,812,246.00	14,644,827.81	14,310,638.10	14,310,638.10	52.66%	51.45%	51.45%
MOOE	26,416,178.00	26,416,178.00	12,520,133.25	11,899,849.25	100.00%	47.40%	45.05%
Capital Outlays	400,000.00	400,000.00	79,900.00	79,900.00	100.00%	19.98%	19.98%

FINANCIAL PERFORMANCE
FY 2023 APPROPRIATION AS OF DECEMBER 31, 2023
REGULAR MINISTRY/OFFICE (M/O) FUND – BY PROGRAM

Particulars	Amounts (in absolute values)				Budget Utilization Rate (%)		
	Appropriation	Allotment	Obligation	Disbursement	Appropriation		
					Allotment	Obligation	Disbursement
a	b	c	d	e	f=c/b	g=d/b	h=e/b
Program 3: Financial Sustainability and Revenue Strengthening Program	55,955,592.00	34,059,813.62	27,615,119.11	26,230,710.14	60.87%	49.35%	46.88%
PS	29,482,389.00	7,586,610.62	7,350,058.67	7,350,058.67	25.73%	24.93%	24.93%
MOOE	26,323,203.00	26,323,203.00	20,265,060.44	18,880,651.47	100.00%	76.99%	71.73%
Capital Outlays	150,000.00	150,000.00	0.00	0.00	100.00%	0.00%	0.00%
TOTAL	358,293,385.00	278,965,667.21	207,505,206.28	194,912,004.91	77.86%	57.91%	54.40%



WHO WE ARE



The Ministry of Finance, and Budget and Management is primarily mandated to evolve sound, efficient and responsive fiscal management and utilization of resources. It shall be responsible for the formulation, institutionalization and administration of fiscal policies in coordination with other concerned ministries, agencies and instrumentalities of the Bangsamoro Government.

OUR VISION



By 2025, we are a leading institution that champions a sound fiscal policy and public financial management that embody Moral Governance towards a self-sufficient and well functioning Bangsamoro Government.

OUR MISSION



To institutionalize dynamic fiscal policies for the optimization of resources, and to ensure prudent and transparent expenditure management as among the pillars of a stable and strong bureaucracy.



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Turning capacities into **success opportunities**
MFBM FY 2023 Accomplishment Report

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