



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Republic of the Philippines
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO
Ministry of Finance, and Budget and Management
Bangsamoro Government Center, Rosary Height VII, Cotabato City

BANGSAMORO BUDGET CIRCULAR

No. 021 - 06

FOR : All Heads of Ministries, BTA Parliament, and Offices of the Bangsamoro Government, Budget Officers, Accountants; and all Others Concerned

SUBJECT : **GUIDELINES ON THE RELEASE OF SPECIAL DEVELOPMENT FUND FOR FISCAL YEAR 2020**

DATE : **APRIL 19, 2021 | 7 RAMADAN 1441 AH**

1.0 The Republic Act No. 11054, otherwise known as the Bangsamoro Organic Law (BOL) provides an allocation for Special Development Fund (SDF) to the Bangsamoro government. Specifically, it stipulates that:

Special Development Fund. - *The National Government shall provide a special development fund to the Bangsamoro Government for the rebuilding, rehabilitation, and development of its conflict-affected communities.*

The amount equivalent to Fifty Billion pesos (P50,000,000,000.00), at Five billion pesos (P5,000,000,000.00) per year, for a period of ten (10) years from the ratification of this Organic Law, shall be allocated for this purpose.

The utilization of the fund shall be in accordance with the Bangsamoro Development Plan to be adopted by the Bangsamoro Government, as provided in Section 6, Article XIII of this Organic Law. (Section 2, Article XIV)

2.0 In view of this provision, the Bangsamoro government issued the Implementing Guidelines on the Utilization and Management of the Special Development Fund. Among which is the guideline for the fund management provided in Item 5.2, which provides that:

"5.2. Fund Management. *The SDF shall be released by the National Government to the Bangsamoro Government through the Ministry of Finance, and Budget and Management. The SDF shall be transferred by the MFBM to the concerned implementing Ministries, Offices, or Agencies. A Memorandum of Agreement (MOA) between OCM and the implementing Ministries, Offices, or Agencies shall be undertaken to facilitate the transfer of funds. The disbursement of the funds shall be subject to the accounting and auditing laws, rules and regulations of the Commission on Audit."*

3.0 Anent the foregoing, the Ministry of Finance hereby issues this Guidelines on the Release of Special Development Fund for FY 2020

MINISTRY OF FINANCE, AND
BUDGET AND MANAGEMENT-BARM.

RELEASED

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BY:  DATE: 4/19/21 TIME 2:2

4.0 GUIDELINES ON THE RELEASE OF SPECIAL DEVELOPMENT FUND

- 4.1 All appropriations authorized by the Approved Cash Program of the FY 2020 Special Development Fund shall be available for release and disbursement for the purpose specified.
- 4.2 Funds for programs, projects, and activities specifically appropriated to an implementing Ministry, Office or Agency shall be released directly to the implementing Ministry, Office or Agency.
- 4.3 Release of funds, such as Obligational Authority and Disbursement Authority shall be in accordance to the MFBM evaluated Budget Execution Documents (BEDs) prepared by Ministries and Offices, in accordance with the approved PAPs funded by the Special Development Fund FY 2020.
- 4.4 All programs, projects, and activities shall be released with Special Allotment Release Order (SARO) and Notice of Cash Allocation (NCA) upon submission of budget execution documents required in Item 5.0 of this Budget Circular. All SARO and NCA released shall be valid until December 31, 2021.

5.0 DOCUMENTARY REQUIREMENTS

- 5.1 All fund releases of Special Development Fund shall be made only after submission of the following documents, subject to evaluation of MFBM, to wit:
 - a) Financial Plan (BED No. 1)
 - b) Physical Plan (BED No. 2)
 - c) Monthly Disbursement Program (BED No. 3)
 - d) Pertinent Construction Documents (for Infrastructure Projects):
 - Approved Program of Works
 - Approved Budget Cost (ABC)
 - Approved Detailed Engineering Design/ Construction Plan

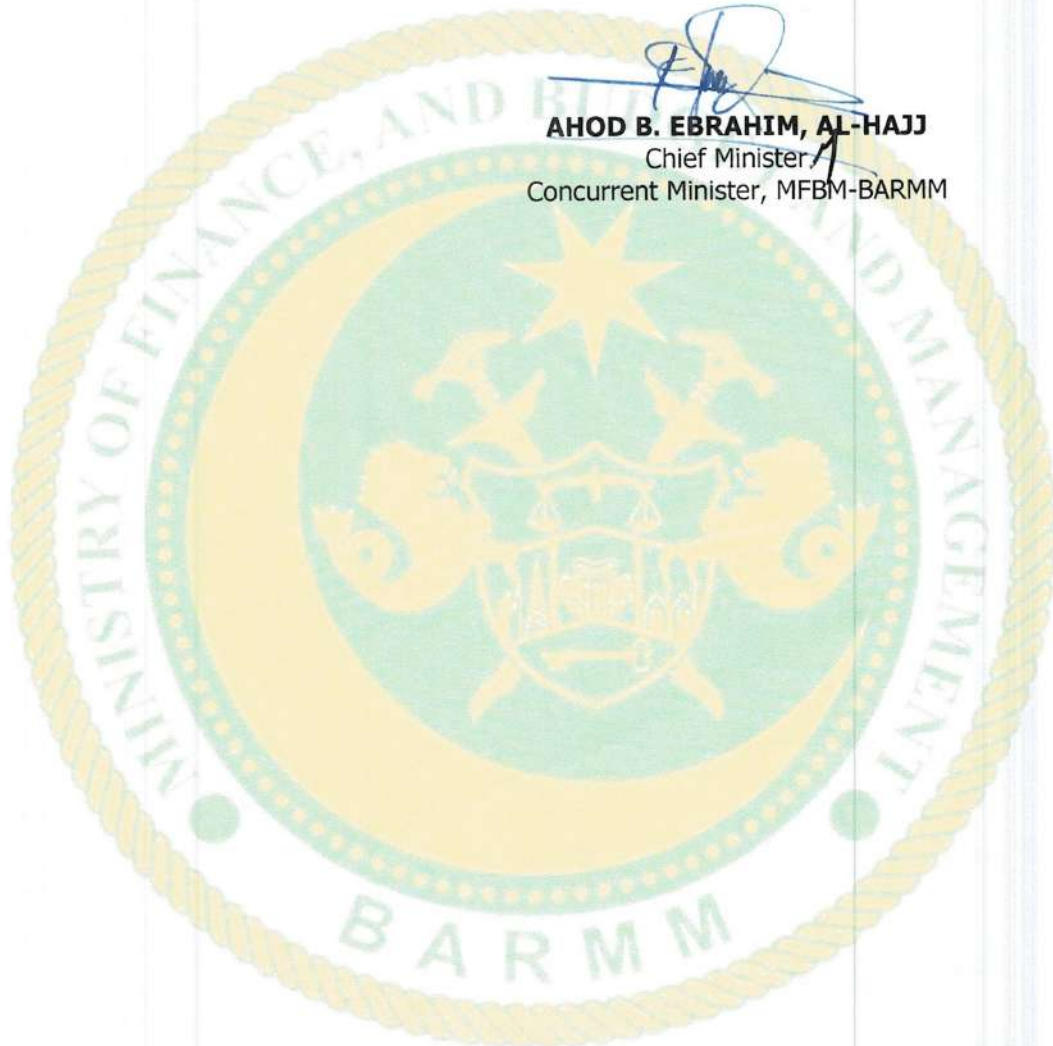
6.0 LIMITATIONS

- 6.1 All releases for the Special Development Fund shall be limited to the approved list of Programs, Projects, and Activities, as well as the Cash Program of the FY 2020 Special Development Fund signed by the Chief Minister.
- 6.2 Under no circumstances shall the SDF FY 2020 be released for other purposes such as the implementation of regular programs, activities, and projects appropriated under the General Appropriations Act of the Bangsamoro (GAAB) for FY 2020 and FY 2021, as well as PAPs funded under the approved Bangsamoro Response and Recovery Plan.
- 6.3 All proposed changes in the approved PAPs for SDF FY 2020 shall need certification from the SDF-Project Management Office or any other authorities before it be considered for funding.

7.0 REPORTING

7.1 Implementing Ministries, Offices, and Agencies shall regularly submit a separate Budget and Financial Accountability Reports (BFARs) within thirty (30) days after the end of each quarter to the MFBM, without prejudice to the reportorial documents as may be required by the SDF-PMO.

8.0 FOR INFORMATION AND STRICT COMPLIANCE



AHOD B. EBRAHIM, AL-HAJJ
Chief Minister,
Concurrent Minister, MFBM-BARMM