



Alternative  
Budget  
Initiative

## FOREWORD

Alternative Budget Initiative 2012



THE ALTERNATIVE BUDGET INITIATIVE (ABI) SEES THE THEME FOR THE 2012 budget of the Aquino administration, “*Paggugol na Matuwid: Deretso sa Tao,*” both as a summation of what this coalition for genuine alternative budget reforms has long been advocating for and at the same time as a clear sign to continually engage the State, civil society and ordinary citizens to finally make a dent in participatory budgeting.

That is why when the preparation phase of the FY 2012 budget took off “earlier” than the usual, in August 2011, ABI deemed it important and timely to simultaneously publish its annual Alternative Budget Proposals book – also known as the ABI Orange Book.

This is the sixth year that ABI publishes this book, which comes in handy and practical for the country’s legislators and executive officials, civil servants, alternative budget reform advocates, scholars, and representatives of vulnerable social sectors including elderly, women and children, and persons with disabilities.

But unlike its previous annual ABI Orange Book editions, ABI puts emphasis this year on its experience-based assessment, learning as well as recommendations linked to the new executive policies aiming to institutionalize citizen participation in the budget process, namely the National Budget Memorandums 107 and 109.

Coming from a previous leadership perceived to have retarded public sector transparency and accountability at their worst levels, both civil society and new administration leaders commonly shared the need to open processes especially on the budget and involve the public more. ABI, as one of the pioneer advocates of participatory budgeting took this opportunity and along the way helped its clusters and further engaged selected government agencies on how to further improve the early steps.

The experiences, inputs, criticisms, as well as ideas on how to make this institutionalization work through the 2012 budget are in all corners and pages of this book.

Part 1 provides a macro-level assessment of the country’s socio-economic situation, expenditures and borrowings, and the role of the budget as an effective tool in improving the country’s economic and social services capacity. The 2012 budget, ABI points out, is based on unrealistic and risky macro-economic assumptions. The 6.5 percent gross domestic product forecast, for instance, will be difficult to attain because of the expected global economic slowdown and the fact that the economy still being consumption-led.

Taking into account these risks as well as working along its goal to push for participatory budgeting, ABI, in its recent presentation of the Alternative Budget for 2012 before Congress, has offered better options to the country’s lawmakers – to make the appropriate budget alignments to ensure responsiveness to realities of national and global developments, and to work closely with CSOs and media in monitoring the entire budget process and jointly work towards genuine budget reform.

Part 2 of the ABI Orange Book discusses CSO engagement, through the experiences of ABI and its clusters (Environment, Health, Agriculture, Education and Persons with Disabilities), in the context of the aforementioned new guidelines which encourage and institutionalize partnerships with and participation of CSOs and other stakeholders in the preparation of budget proposals. ABI also puts forward its assessment on the pilot stages of such institutionalization and offers tangible solutions which could be very useful to policy makers, implementers, and CSO advocates. The ABI clusters also share in this section their per-sector experiences, gains, and lessons in participating in the budget preparation phase.

ABI knows and respects that it is the discretion of policy makers, department heads and staff, and other government players involved in the budget preparation phase, but given its record as a professional and dynamic player in alternative budgeting arena in the Philippines, ABI through its clusters offers sound and imperative recommendations which would contribute to achieve what the stakeholders all want – better people’s participation and a more responsive budget. ABI’s Education Cluster, for instance, recommends to “pursue DepEd-civil society partnerships in all aspects of the budget cycle to facilitate better understanding and participation in the next budget formulation and to ensure continuing transparency and accountability.” The ABI Agricultural Cluster, meanwhile, recommends to “make the Open Budget Partnership Agreement more meaningful by including in the level of engagement the crafting of priorities based on the needs of agricultural stakeholders and not just limiting it to the budget.”

ABI also takes a closer look at the public-private partnership (PPP), which the Aquino administration has expressed as innovative strategy to address gaps in infrastructure and to step up investments. This is one way of helping the public better understand a strategy which may make or break our country’s development potentials.

Overall, the book echoes the position of ABI on the on-going initiatives to institutionalize people’s participation in the budget process: The government, in order to truly promote transparency, accountability, and democratic governance, must put all efforts to make these processes more inclusive and accessible. Participatory budgeting, in the first place, does not only involve budget monitoring but more so encouraging genuine participation and openness from Day 1 of the budget process.

The doors have already been opened – and they should stay open all the time and in all stages in order to truly engage the people to participate in the budget process. So we say: *“Paggugol na Matuwid: Kasama ang Tao.”*

It’s still a long road ahead, but we could all make it – together.