



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Malacañang, Manila

NATIONAL BUDGET CIRCULAR

No. 542

August 29, 2012

TO: Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including State Universities and Colleges (SUCs), Government-Owned and Controlled Corporations (GOCCs), Government Financial Institutions (GFIs); Local Government Units (LGUs); and All Others Concerned

SUBJECT: REITERATING COMPLIANCE WITH SECTION 93, THE TRANSPARENCY SEAL PROVISION, OF THE GENERAL APPROPRIATIONS ACT OF 2012

1.0 Overview

Sec. 93. *Transparency Seal.* To enhance transparency and enforce accountability, all national government agencies shall maintain a transparency seal on their official websites. The transparency seal shall contain the following information: (i) the agency's mandates and functions, names of its officials with their position and designation, and contact information; (ii) annual reports, as required under National Budget Circular Nos. 507 and 507-A dated January 31, 2007 and June 12, 2007, respectively, for the last three (3) years; (iii) their respective approved budgets and corresponding targets immediately upon approval of this Act; (iv) major programs and projects categorized in accordance with the five key results areas under E.O. No. 43, s. 2011; (v) the program/projects beneficiaries as identified in the applicable special provisions; (vi) status of implementation and program/project evaluation and/or assessment reports; and (vii) annual procurement plan, contracts awarded and the name of contractors/suppliers/consultants.

The respective heads of the agencies shall be responsible for ensuring compliance with this section.

A Transparency Seal, prominently displayed on the main page of the website of a particular government agency, is a certificate that it has complied with the requirements of Section 93. This Seal links to a page within the agency's website which contains an index of downloadable items of each of the abovementioned documents.

2.0 Purpose

This Circular is issued to prescribe the guidelines, rules, and regulations governing the implementation of Section 93, the Transparency Seal Provision, of the General Appropriations Act of 2012.

3.0 Rationale

Participatory governance is one of the hallmarks of a healthy democracy. And a transparent government is a condition precedent for any meaningful citizen engagement.

The Transparency Seal provision of the General Appropriations Act of 2012 aims to leverage the Internet to make key information on each particular unit of the government, more accessible to the public.

4.0 Coverage

All departments, bureaus, offices, and agencies of the national government, including Government Owned and Controlled Corporations (GOCCs), State Universities and Colleges (SUCs), Government Financial Institutions (GFIs); as well as the Local Government Units (LGUs) are covered by this Circular.

5.0 Compliance

- 5.1 The Aquino administration is committed to providing the Filipino people with Open Governance. Each agency is enjoined to do its part.
- 5.2 Upon notice of the issuance of this Budget Circular, each agency shall forthwith designate a web administrator or web master, directly responsible for managing content on their respective websites. The name, position, fixed-line number, facsimile, and e-mail address of the same shall, without delay, be sent to the Office of the Undersecretary for Transparency and Information and Communications Technology Initiatives (hereafter DBM CIO) via an official correspondence and an e-mail to CIO@dbm.gov.ph, no later than September 20, 2012.
- 5.3 The DBM will e-mail a graphic file of the Transparency Seal to the web administrator when the identity and details of such administrator are reported to the DBM CIO.
- 5.4 The web administrator or web master so designated shall be directly responsible for compliance with Section 93, together with the respective head of the agency.¹
- 5.5 The Transparency Seal shall be prominently displayed on the main page of the website of the particular government agency. This Seal shall link to a page within the agency's website which contains an index of downloadable items of each of the documents required to be posted by virtue of Section 93.

¹ Deficiency or delinquency may be considered as tantamount to violation of Section 57 of Chapter 6 (Budget Accountability) of Book VI of the Administrative Code of 1987; without prejudice to such other liabilities, penalties, and/or measures as may be undertaken to curb non-compliance.

6.0 Monitoring

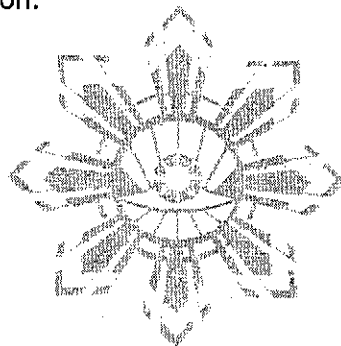
- 6.1 Upon the enactment of the GAA of 2012, compliance with Section 93 became mandatory. As stated in the provision, the respective heads of the agencies shall be held accountable for non-compliance, which is tantamount to a violation of the law.
- 6.2 Random audits will be undertaken by the DBM CIO, in partnership with Civil Service Organizations (CSOs).
- 6.3 Government-wide compliance audits will likewise be undertaken by the DBM CIO: the first, starting on October 15, 2012; and again, any time before December 31, 2012. Reports on data gleaned from such audits shall be submitted to the President and disseminated to the media.
- 6.4 In cases of failure to comply, the DBM CIO will issue a notice to the errant agency, giving it a reasonable period of fifteen (15) days upon receipt of the said notice, within which conform with the publication requirement.

7.0 The Transparency Seal

A pearl buried inside a tightly-shut shell is practically worthless. Government information is a pearl, meant to be shared with the public in order to maximize its inherent value.

The Transparency Seal, depicted by a pearl shining out of an open shell, is a symbol of a policy shift towards openness in access to government information. On the one hand, it hopes to inspire Filipinos in the civil service to be more open to citizen engagement; on the other, to invite the Filipino citizenry to exercise their right to participate in governance.

This initiative is envisioned as a step in the right direction towards solidifying the position of the Philippines as the Pearl of the Orient – a shining example for democratic virtue in the region.



8.0 Saving Clause

Cases not covered by the provisions of this Circular shall be referred to the DBM for resolution.

9.0 Effectivity

This Circular shall take effect immediately.

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FLORENCIO B. ABAD
Secretary