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SENATE

S. B. NO. 2130

RECEIVED BY: *ja*

Introduced by Senator Joseph Victor G. Ejercito

**AN ACT
REQUIRING THE SECRETARY OF FINANCE AND THE GOVERNOR OF
THE BANGKO SENTRAL NG PILIPINAS TO APPEAR BEFORE CONGRESS
QUARTERLY TO REPORT ON THE STATUS AND DIRECTIONS OF THE
FISCAL AND MONETARY POLICIES OF THE STATE**

EXPLANATORY NOTE

Article II, Section 28 of the Constitution provide "Subject to reasonable conditions prescribe by law, the State adopts and implements a policy of full public disclosure of all its transactions involving public interest." Pursuant to constitutional provision, government agencies such as the Department of Finance and the Bangko Sentral ng Pilipinas must act with transparency of its functions.

In the light of the foregoing the proposed bill requires the Secretary of Finance and the Governor of the Bangko Sentral ng Pilipinas, as fiscal managers of the government, to appear periodically before Congress to report on the status and directions of the fiscal and monetary policies of the State. At present, the only time that DOF and BSP report to Congress is during the legislative deliberation of the annual national budget but their reports are limited to the inputs required for the budget analysis.


This bill, in effect, provides for an accountability measure for both DOF and BSP, by requiring the heads of both organizations to appear before Congress semi-annually, to report on the state and the directions for the fiscal and monetary policies of the government. This measure mandates that the Secretary of DOF and the Governor of BSP shall appear before the Committees on Appropriations, Ways and Means, Economic Affairs, and Banks and Financial Intermediaries of the House of Representatives on or before the 2nd Tuesday of March and September, and the Committees on Finance, Ways and Means, Economic Affairs, and Banks, Financial Institutions and Currencies of the Senate on or Before the 4th of march and September to report on the country's fiscal and monetary policies.

The bill also provides that the DOF and the BSP shall submit a written report to the said Committees, which shall include a discussion of the conduct of their respective policy. Finally, the DOF and BSP reports

submitted to Congress shall also be made available to the public by means of downloadable copies in their respective official websites.

Furthermore, this bill aims to uphold the objectives of the International Monetary Fund in order to achieve good governance by complying with their developed *Code of Good Practices on Transparency in Monetary and Financial Policies* which is premised on four board principles as follows: 1) Clarity of roles, responsibilities and objectives; 2) Open process for formulating and reporting policy decisions; 3) Public availability on information policies; and 4) Accountability and assurances of integrity.

In view of the foregoing, the early passage of this bill is earnestly requested.

A handwritten signature in black ink, appearing to read 'J. Ejercito', with a horizontal line extending to the left.

JOSEPH VICTOR G. EJERCITO
Senator



SIXTEENTH CONGRESS
REPUBLIC OF THE PHILIPPINES
First Regular Session

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*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. Short Title. - This Act shall be known as the "*Fiscal and
Monetary Policies Disclosure Act of 2014.*"

SEC. 2. Declaration of Policy. - It is hereby declared the policy of
the State to submit to full public disclosure all its transactions involving
public interest and recognize the significance of fiscal and monetary policies
as factors affecting the development directions of the country. Toward this
end, the fiscal managers of the government, the Secretary of Finance and
the Governor of the Bangko Sentral ng Pilipinas (BSP), shall be required to
periodically appear before Congress to re-assess and review the fiscal and
monetary policies of the government.

SEC. 3. Appearance before Congress. - The Secretary of Finance and
the Governor of BSP shall appear before the Committees on Appropriations,
Ways and Means, Economic Affairs, and Banks and Financial Intermediaries
of the House of Representatives three (3) days after the end of each quarter,
and; before the Committees on Finance, Ways and Means, Economic
Affairs, and Banks, Financial Institutions and Currencies of the Senate five
(5) days after the end of each quarter to report on the status and
directions of the fiscal and monetary policies of the government, economic
development in employment, unemployment, production, investment, real
income, productivity, exchange rates, international trade and payments and
prices.

SEC. 4. Reports.-

(a) The Secretary of Finance shall submit a written report to the Committees mentioned specified in Section 3, containing a detailed discussion of the conduct of fiscal policy, which shall include, but shall not be limited to the following:

- i. Consolidated Public Sector Financial Positions;
- ii. National Government Debt Service Expenditures;
- iii. Foreign and Domestic Borrowings;
- iv. National Government Revenues;
- v. National Government Financing Program and Outstanding Debt, and;
- vi. Other information that may be requested by the Committees specified in Section (3)

(b) The Governor of the BSP shall submit a written report to the Committees as specified in Section 3, which shall include, but shall not be limited to the following:

- (i) Monetary aggregates and their components;
- (ii) Purchases and sales of foreign exchange and of the international reserves of the Bangko Sentral;
- (iii) Balance of payments of the Philippines;
- (iv) Indices of consumer prices and of import and export prices;
- (v) Volume and value of exports and imports;
- (vi) Accounts of the Banko Sentral and other Banks;
- (vii) Government receipts and expenditures and on the status of the public debt, both domestic and foreign;
- (viii) Major legal and administrative measures adopted by the Government and the Monetary Board during the year which relate to the functions or operations of the Bangko Central or the Financial system, and:
- (ix) Other information that may be requested by the Committees specified in Section (3).

SEC. 5. Public access to information. – The Department of Finance and Bangko Sentral ng Pilipinas shall make available copies of the reports submitted to Congress in their official websites for a reasonable period immediately following the submission of the reports.

SEC. 6. Separability Clause. – If any provisions of this Act shall be held unconstitutional the remainder of the Act not otherwise affected shall remain in full force and effect.

SEC. 7. Repealing Clause. – All laws, presidential decrees, executive orders, proclamations or administrative regulations that are inconsistent

with the provisions of this Act are hereby amended, modified, superseded, or repealed accordingly.

SEC. 8. Effectivity. – This Act shall take effect after fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,