

SGV Government and Infrastructure (G&I) Bulletin  
No. 01 Series of 2026

# The 2026 National Budget

Agenda for prosperity: Nurturing Future-Ready  
Generations to Achieve the Full Potential of the Nation

27 January 2026

■ ■ ■  
The better the question. The better the answer.  
The better the world works.

In everything we do, we nurture leaders  
and enable businesses for a better Philippines.

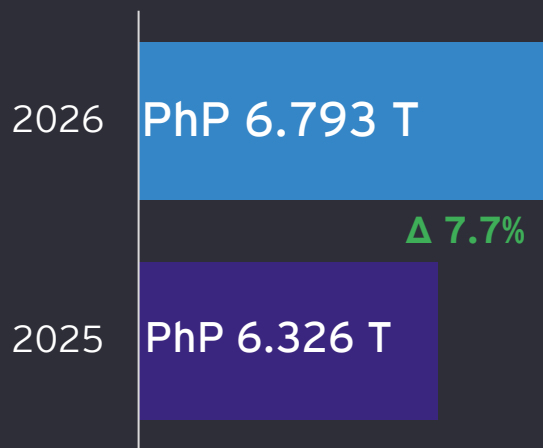
#SGVforABetterPhilippines

**SGV**

**Shape the future  
with confidence**

# Developmental Goals and the Budget

Republic Act No. 12314, or the General Appropriations Act (GAA) FY 2026, was signed on the 5<sup>th</sup> of January 2026. The 2026 budget of PHP6.793 trillion is 7.7% larger than that of the prior fiscal year. The 2026 budget is anchored on the 2023-2028 Philippine Development Plan (PDP).



“

We are at a critical juncture in the implementation of this administration’s medium-term development plan and on the cusp of sweeping reforms in politics and in governance. The 2026 General Appropriations Act is a vital component in all of these... [W]e are committing to implement a budget that serves the people.

**President Ferdinand R. Marcos, Jr.**  
*Ceremonial Signing of the GAA for Fiscal Year 2026*

## Strategy Framework of the PDP 2023-2028

### Economic and Social Transformation

#### Develop and protect capabilities of individuals and families



- Promote human and social development
- Reduce vulnerabilities and protect purchasing power
- Increase income-earning ability

#### Transform production sectors to generate more quality jobs and competitive products



- Modernize agriculture and agri-business
- Revitalize industry
- Reinvigorate services

#### Foster an Enabling Environment



- Good governance and bureaucratic efficiency
- Macroeconomic stability and inclusive and innovative finance
- Peace and security; administration of justice
- Infrastructure
- Disaster resilience

# Programs and Projects

Direct budgetary support to targeted programs and projects is critical in attaining developmental goals. Below are selected programs and projects of implementing agencies.

## Promote Human and Social Development

To enhance health, improve education and lifelong learning, and establish livable communities

| Implementing Agency                   | Program/Project                                                                                                                                                                                   | Allocation (Php billion) |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Education (DepEd)       | Government Assistance and Subsidies (GAS) - to provide financial support to nearly 2.6 million learners enrolled in private schools                                                               | 41.08                    |
|                                       | Basic Education Facilities Program - to construct school buildings                                                                                                                                | 85.40                    |
| Commission on Higher Education (CHED) | Higher Education Development Program (HEDP) - to provide free, high-quality tertiary education                                                                                                    | 45.34                    |
| Science Education Institute           | Science and Technology Scholarship Program - to provide financial assistance to students enrolled in STEM (science, technology, engineering, mathematics) courses                                 | 7.46                     |
| National Housing Authority (NHA)      | Lot Development and Provision of Housing and Community Facilities (for informal settlers)                                                                                                         | 3.40                     |
| Department of Health (DOH)            | Health Facilities Enhancement Program (HFEP) - for the construction, upgrading, or expansion of government health care facilities and the procurement of medical equipment and transport vehicles | 22.23                    |

## Reduce Vulnerabilities and Protect Purchasing Power

To ensure food security and proper nutrition, and strengthen social protection

| Implementing Agency                                  | Program/Project                                                                                                                                                                                                                   | Allocation (Php billion) |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Social Welfare and Development (DSWD)  | Pantawid Pamilyang Pilipino Program (4Ps) - conditional cash transfer covering 4.4 million households                                                                                                                             | 113.00                   |
|                                                      | Supplementary feeding program covering 1.9 million school children                                                                                                                                                                | 9.56                     |
|                                                      | Social pension for 4.1 million indigent senior citizens                                                                                                                                                                           | 51.86                    |
| Philippine Health Insurance Corporation (PhilHealth) | National Health Insurance Program (NHIP) - covers health insurance premiums of indirect contributors, i.e., indigents, senior citizens, unemployed persons with disabilities, and financially-incapable point-of-service patients | 129.65                   |
| DOH                                                  | Medical Assistance to Indigent and Financially-Incapacitated Patients (MAIFIP) - provides financial assistance beyond PhilHealth coverage                                                                                         | 51.65                    |

# Programs and Projects (cont.)

## Increase Income-Generating Ability

To increase employability, expand employment opportunities, and achieve shared labor market governance

| Implementing Agency                                          | Program/Project                                                                                                                                                                                                                                                | Allocation (Php billion) |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Labor and Employment (DOLE)                    | Livelihood and Emergency Employment Program                                                                                                                                                                                                                    | 25.36                    |
|                                                              | Employment Facilitation Program                                                                                                                                                                                                                                | 1.23                     |
| Technical Education and Skills Development Authority (TESDA) | Training for Work Scholarship Program - to support training, reskilling, and upskilling on new and in-demand jobs such as those involving artificial intelligence (AI), creative industries, semiconductors and electronics, medical technology, and radiology | 8.06                     |
| DSWD                                                         | Sustainable Livelihood Program (SLP) - livelihood capability-building program for poor, vulnerable, and marginalized households or communities either through micro-enterprise development or employment facilitation                                          | 5.31                     |

## Modernize Agriculture and Agri-Business

To enhance the efficiency of agriculture, expand the sector’s access to markets, improve its resilience, and strengthen agricultural institutions

| Implementing Agency                | Program/Project                                                                                                           | Allocation (Php billion) |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Agriculture          | Repair/Construction of Farm-to-Market Roads (FMRs) in designated key production areas                                     | 33.01                    |
|                                    | Establishment of Agricultural Food Hub Project                                                                            | 2.63                     |
|                                    | Cold Storage Expansion Project                                                                                            | 1.22                     |
|                                    | Production Support Services (PSS) - to support the production of rice, corn, high-value crops, organic farming, livestock | 35.57                    |
|                                    | Philippine Rural Development Scale-up (PRDP-SU) - to improve the market access of farmers and fisherfolk                  | 9.98                     |
|                                    | Philippine Fisheries and Coastal Resiliency Project (FishCORE)                                                            | 2.04                     |
| National Irrigation Administration | New National Irrigation Projects                                                                                          | 7.28                     |
|                                    | Small Reservoir Irrigation Projects                                                                                       | 3.80                     |

# Programs and Projects (cont.)

## Revitalize Industry and Reinvigorate Services

| Implementing Agency                                         | Program/Project                                                                                                                                                     | Allocation (Php billion) |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Trade and Industry (DTI)                      | Exports and Investments Development Program                                                                                                                         | 0.97                     |
|                                                             | Industry Development Program                                                                                                                                        | 0.93                     |
|                                                             | MSME Development Program                                                                                                                                            | 0.95                     |
|                                                             | Shared Service Facilities (SSF) Project - to provide machinery, equipment, and related accessories for the common use of micro, small, and medium-sized enterprises | 0.57                     |
| Department Information and Communications Technology (DICT) | Philippine Digital Infrastructure Project                                                                                                                           | 3.26                     |
|                                                             | National Broadband Program                                                                                                                                          | 0.67                     |

## Good Governance and Bureaucratic Efficiency

| Implementing Agency                       | Program/Project                                                              | Allocation (Php billion) |
|-------------------------------------------|------------------------------------------------------------------------------|--------------------------|
| DICT                                      | National Government Data Center Infrastructure                               | 0.75                     |
|                                           | National Government Portal                                                   | 0.29                     |
| Civil Service Commission (CSC)            | Philippine Civil Service Modernization Project                               | 0.33                     |
| The Bureau of the Treasury (BTr)          | Development of the Treasury Single Account (TSA)                             | 0.57                     |
| Anti-Red Tape Authority (ARTA)            | Ease of Doing Business and Efficient Delivery of Government Services Program | 0.30                     |
| Department of Budget and Management (DBM) | Public Financial Management (PFM) Program                                    | 0.62                     |

## Climate Action and Disaster Resilience

| Implementing Agency                                                                    | Program/Project                            | Allocation (Php billion) |
|----------------------------------------------------------------------------------------|--------------------------------------------|--------------------------|
| Department of Environment and Natural Resources (DENR)                                 | National Greening Program                  | 0.57                     |
| Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAG-ASA) | Establishment of new Doppler weather radar | 0.45                     |



# Programs and Projects (cont.)

## Peace and Security; Administration of Justice

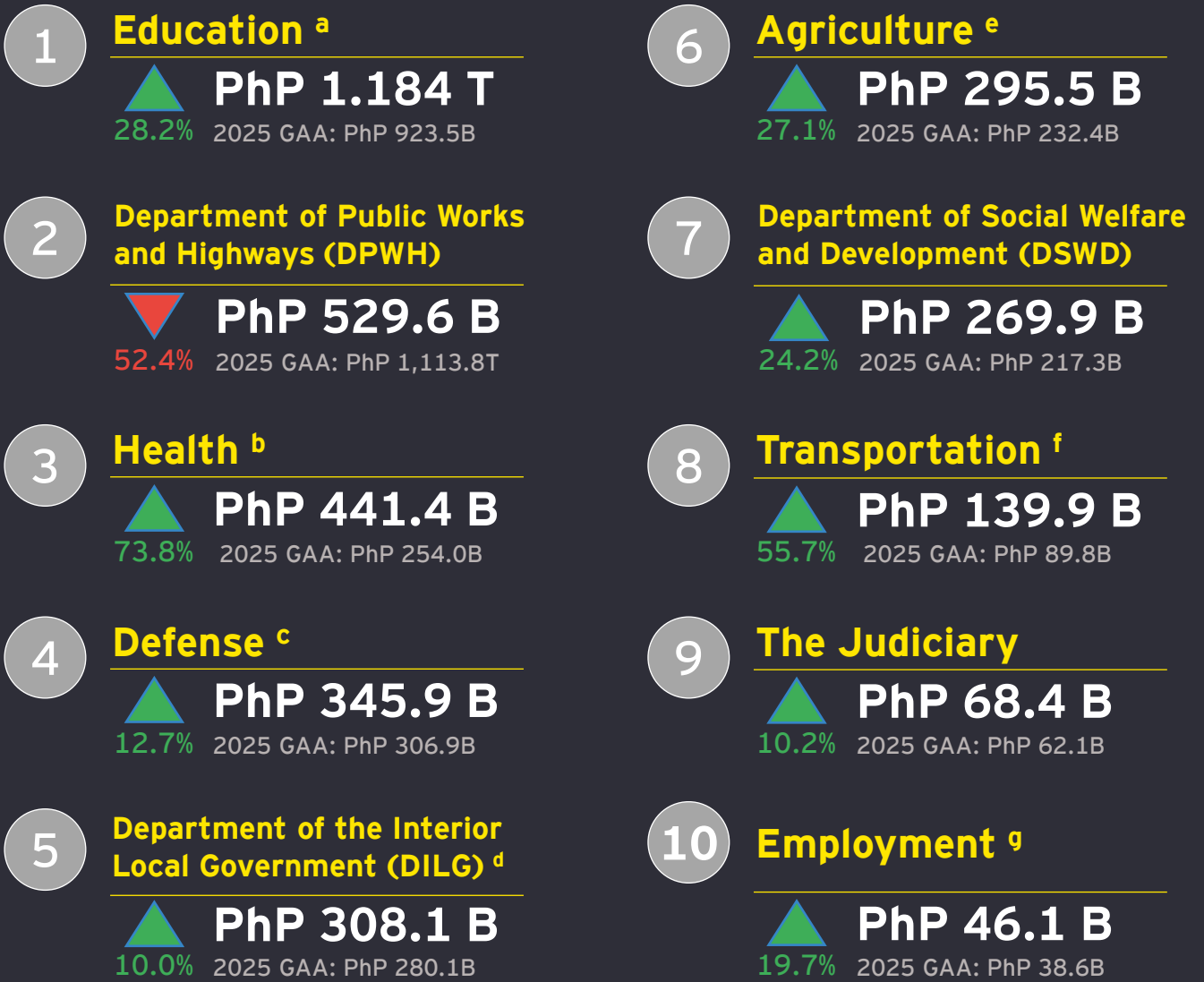
| Implementing Agency                                                            | Program/Project                                                                                                                                                                                                              | Allocation (Php billion) |
|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Office of the Presidential Adviser on Peace, Reconciliation and Unity (OPAPRU) | Payapa at Masaganang Pamayanan (PAMANA) Program - various projects in conflict-affected and conflict-vulnerable areas                                                                                                        | 6.11                     |
|                                                                                | Normalization Program in the Bangsamoro                                                                                                                                                                                      | 0.92                     |
| National Amnesty Commission                                                    | Amnesty Grant Program                                                                                                                                                                                                        | 0.23                     |
| Marawi Compensation Board                                                      | Marawi Siege Victims Compensation Program                                                                                                                                                                                    | 2.01                     |
| DA                                                                             | Mindanao Inclusive Agriculture Development Project (MIADP) - to improve agricultural productivity, resiliency, and access to markets and services of organized farmer and fisherfolk groups in ancestral domains in Mindanao | 1.79                     |
| Supreme Court of the Philippines and the Lower Courts                          | Construction/completion and/or repair/rehabilitation of the Halls of Justice (JUSIP)                                                                                                                                         | 2.69                     |
|                                                                                | Strategic Plan for Judicial Innovations                                                                                                                                                                                      | 5.16                     |

## Infrastructure

| Implementing Agency                            | Program/Project                                                                                                                         | Allocation (Php billion) |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Department of Public Works and Highways (DPWH) | Road Network Development Program                                                                                                        | 87.64                    |
|                                                | Bridge Program                                                                                                                          | 31.04                    |
|                                                | Roads Leveraging Linkages for Industry and Trade (ROLL-IT) Infrastructure Program                                                       | 3.75                     |
|                                                | Tourism Road Infrastructure Program                                                                                                     | 4.01                     |
|                                                | Public-Private Partnership (PPP) Strategic Support Fund - for right-of-way acquisition and subsidies for physical connectivity projects | 1.00                     |
| Department of Transportation (DOTr)            | Construction, Rehabilitation, and Improvement of Aviation Infrastructure                                                                | 7.86                     |
|                                                | Construction, Rehabilitation, and Improvement of Railway Infrastructure                                                                 | 52.48                    |
|                                                | Payment of Right-of-Way Acquisition                                                                                                     | 2.79                     |

# Department/sector allocation

Departments/sectors with the largest allocations in 2026 are as follows:



## Notes

- a Includes Department of Education (DepEd), State Universities and Colleges (SUCs), Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA), Science Education Institute, the Philippine Science High School System, and Early Childhood Care and Development Council.
- b Includes the Department of Health (DOH), Lung Center of the Philippines (LCP), National Kidney and Transplant Institute (NKTi), Philippine Children’s Medical Center (PCMC), Philippine Health Insurance Corporation (PhilHealth), Heart Center of the Philippines (PHC), and Philippine Institute of Traditional and Alternative Health Care (PITAHC). For 2026, PhilHealth received an allocation of nearly PhP130 billion, from zero allocation in 2025.
- c Includes the Department of National Defense (DND) and the allocation for the AFP Modernization Program.
- d Net of the allocation for the Early Childhood Care and Development Council which was categorized under the Education sector.
- e Includes the Department of Agriculture (DA) and the Department of Agrarian Reform (DAR) and the budgetary support to National Dairy Authority (NDA), National Food Authority (NFA), National Irrigation Administration (NIA), Philippine Coconut Authority (PCA), Philippine Crop Insurance Corporation (PCIC), Philippine Fisheries Development Authority (PFDA), Philippine Rice Research Institute (PhilRice), and Sugar Regulatory Administration (SRA).
- f Includes the Department of Transportation (DOTr) and the budgetary support to Light Rail Transit Authority (LRTA), Philippine National Railways (PNR), and Philippine Ports Authority (PPA).
- g Includes the Department of Migrant Workers (DMW) and the Department of Labor and Employment (DOLE), net of the allocation to TESDA.

# Selected Provisions of the 2026 GAA

## General Provisions

### Prohibition of Political Involvement in the Distribution of Financial Assistance

- 1

Aid distribution must be done only by authorized personnel
- 2

No politician or electoral candidate may influence or participate in the distribution
- 3

No political signage/branding in distribution sites
- 4

Strict compliance with protocols

## Increased Transparency in Infrastructure Projects

Agencies shall adhere to the additional transparency requirements:

- Documents to post in agencies' websites: project's exact coordinates, feasibility study, engineering design, program of work, proof of coordination with concerned local government unit (LGU)
- Project signboards to display QR codes linked to project documents
- Quarterly updates with geo-tagged photos and reasons for delays, if any
- Maintain an online transparency dashboard



## Special Provisions in DPWH's Budget

### Updating of Highway, Bridge, and Flood Management Design Manuals:

### Flood and Water Resources Management Planning:



Basin-wide integrated flood control projects



Technical cooperation with development partners



Expert-guided, data-driven planning



Nature-Based Solutions



Science-backed flood control designs

- 1

Integrate updated climate-impact projections
- 2

Apply latest scientific and climate data from key agencies
- 3

Builds DPWH capacity for consistent application



## Special Provision in PhilSA's Budget

### Flood Control Project Monitoring and Geospatial Validation:

The Philippine Space Agency (PhilSA) shall coordinate with the DPWH for the sharing of technical expertise, satellite imagery, analytical tools, and data infrastructure to support timely monitoring and validation of infrastructure projects



**SGV & Co. Head Office**

6760 Ayala Avenue, Makati City,  
1226 Metro Manila, Philippines

Tel: (+632) 8891 0307  
Fax: (+632) 8819 0872  
(+632) 8818 1377  
Email: [sgv.information@ph.ey.com](mailto:sgv.information@ph.ey.com)  
[www.sgv.ph](http://www.sgv.ph)

**SGV Economic Advisory Team**



**Marie Stephanie C. Tan-Hamed**  
*Strategy and Transactions Partner,  
EY Parthenon Partner and PH  
Government and Public Sector Leader*  
[marie.stephanie.c.tan-hamed@ph.ey.com](mailto:marie.stephanie.c.tan-hamed@ph.ey.com)  
(+632) 8894 9339



**Alma Angeli D. Placido-Domanico**  
*Strategy and Transactions  
Senior Director*  
[alma.angeli.d.placido@ph.ey.com](mailto:alma.angeli.d.placido@ph.ey.com)  
(+632) 8891 0307



**Lester Jeff D. Pawid**  
*Strategy and Transactions  
Senior Director*  
[lester.jeff.pawid@ph.ey.com](mailto:lester.jeff.pawid@ph.ey.com)  
(+632) 8891 0307

**Sources**

- Department of Budget and Management (DBM)
- Department of Agriculture (DA)
- Department of Public Works and Highways (DPWH)
- Department of Health (DOH)
- Department of Economy, Planning, and Development (DEPDev)
- Presidential Communications Office (PCO)
- World Bank

**SGV | Building a better working world**

SGV is the largest professional services firm in the Philippines. In everything we do, we nurture leaders and enable businesses for a better Philippines. This Purpose is our aspirational reason for being that ignites positive change and inclusive growth.

Our multidisciplinary teams work across a full spectrum of services in assurance, tax, strategy and transactions, and consulting. Enabled by data, AI and advanced technology, we help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

**All in to shape the future with confidence.**

SGV & Co. is a member firm of Ernst & Young Global Limited. EY refers to the global organization, and may refer to one or more of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients.

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](http://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [sgv.ph](http://sgv.ph).

© 2026 SyCip Gorres Velayo & Co.  
All Rights Reserved.  
APAC No. 10001447

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither SGV & Co. nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.