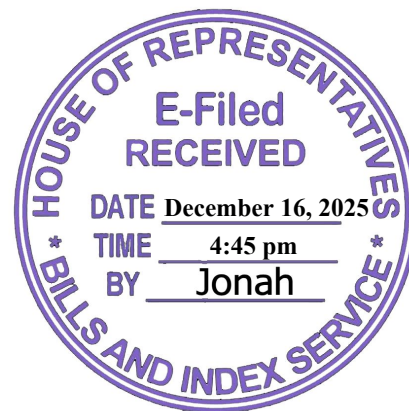


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session
House Bill No. **6909**



Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

**AN ACT
MANDATING THE ESTABLISHMENT AND IMPLEMENTATION OF A
NATIONAL BUDGET BLOCKCHAIN SYSTEM TO ENHANCE
TRANSPARENCY, ACCOUNTABILITY, AND PUBLIC PARTICIPATION IN
THE PHILIPPINE BUDGET PROCESS**

EXPLANATORY NOTE

“He that is faithful in that which is least is faithful also in much: and he that is unjust in the least is unjust also in much.” (Luke 16:10, KJV)

This principle of faithful stewardship finds concrete expression in the Constitution, which vests in Congress the power of the purse and requires that public funds be spent only in accordance with an appropriation law, subject to examination by the Commission on Audit (COA).¹ The Supreme Court stressed that mechanisms that allow spending outside or beyond the General Appropriations Act (GAA) are unconstitutional, and that the integrity and traceability of budget execution are essential to uphold Congress’ control over public funds.²

Despite existing safeguards, the national budget process still suffers from delayed and fragmented reporting, difficulty in tracing funds from GAA appropriations to final beneficiaries, and limited real-time access to reliable budget data for citizens and oversight bodies. These weaknesses impede effective monitoring of compliance with the GAA and related laws on appropriations, procurement, and audit.³

Congress has already mandated government-wide digital transformation through the creation of the Department of Information and Communications Technology (DICT) as the primary ICT policy and implementation arm,⁴ the passage of the “Ease of Doing Business and Efficient Government Service Delivery Act,”⁵ and, more recently, the institutionalization of e-governance and interoperable government

¹ Dimapilis-Baldoz v. Commission on Audit, et al. G.R. No. 199114.

² Araullo, et al. v. Aquino III, et al. G.R. No. 209287.

³ Office of the Ombudsman v. Celiz, et al. G.R. No. 236383.

⁴ R.A. No. 10844 (2016).

⁵ R.A. No. 11032 (2018).

ICT systems under the E-Governance Act.⁶ These measures call for integrated, auditable, and interoperable platforms for government processes and records.

Blockchain technology – through a distributed, cryptographically secured ledger – can provide immutable, traceable, and tamper-evident records of all budget-related transactions. Applied to the national budget, this can ensure that appropriations, allotments, obligations, disbursements, procurements, and liquidations are transparently and permanently recorded, consistent with COA’s constitutional mandate to audit all uses of government funds.

This bill creates a National Budget Blockchain System that records the entire budget cycle as unchangeable Digital Public Assets on a government-run blockchain, with smart contracts optionally automating fund releases in line with existing public finance and procurement laws. It establishes a public portal for real-time access to budget data so citizens, COA, Congress, and other oversight bodies can independently trace funds from appropriations to final beneficiaries. All government budgeting, accounting, disbursement, and reporting systems will be required to work with this blockchain, in line with the DICT’s e-governance and interoperability mandate under the E-Governance Act and related ICT laws.

The DICT will serve as the lead agency, coordinating with the DBM, COA, and all agencies and GOCCs to integrate their financial systems into the platform. By anchoring the national budget on a secure, interoperable, and publicly accessible system, the measure aims to reinforce constitutional controls over public spending, strengthen COA’s auditing capabilities, prevent irregular or unauthorized transactions, and build public trust in the integrity of the budget process.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



BIENVENIDO M. ABANTE, JR.

⁶ R.A. No. 12254 (2025).

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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 “**Philippine National Budget Blockchain Act.**”

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to promote transparency, accountability, and good governance in the management and disbursement of public funds. To this end, the State recognizes the potential of emerging technologies, such as blockchain, to enhance public trust by providing an immutable and transparent record of all government financial transactions. The use of blockchain ensures that all allocations, disbursements, procurements, and expenditures are permanently recorded, tamper-evident, and accessible to the public and oversight institutions in real time.

SEC. 3. Definition of Terms. – As used in this Act:

- a. *Blockchain* refers to a distributed and cryptographically secured digital ledger that records transactions in a verifiable, immutable, and transparent manner;
- b. *Blockchain-based Budget System* refers to a government-managed blockchain ledger that records, in real-time and immutable form, all transactions across the budget cycle;
- c. *Digital Public Asset (DPA)* refers to any budget-related record placed on blockchain, representing public funds as immutable and verifiable assets of the people;

- d. *National Budget* refers to the General Appropriations Act (GAA), which is the law that authorizes the government to spend a specific amount of money for various programs and projects;
- e. *Smart Contract* refers to self-executing code deployed on blockchain to enforce predefined conditions, including budget releases and compliance requirements; and
- f. *Validator Nodes* refer to independent verifying entities, including government agencies, academic institutions, and accredited organizations, that maintain and secure the blockchain's decentralization.

SEC. 4. *Establishment of the Blockchain-based Budget System.* – The Department of Information and Communications Technology (DICT), in coordination with the Department of Budget and Management (DBM) and Commission of Audit (COA), shall establish a blockchain-based budget system where all records of the national budget are recorded as DPAs.

All records of the national budget, from budget preparation and legislation to execution and audit, shall be recorded into DPAs. Smart contracts may automate fund releases upon the fulfillment of verifiable milestones such as approval process and other documentation.

A public-facing portal shall provide real-time access to DPAs, to enable citizens, COA, and oversight bodies to independently verify the flow of funds down to agencies, projects, and beneficiaries.

All government financial systems including budgeting systems, disbursement tools, accounting applications, and reporting software shall be required to comply with blockchain interoperability standards. All data generated by such systems must anchor to the blockchain as DPAs, ensuring immutability, traceability, and public auditability.

SEC. 5. *Features of the Blockchain-Based Budget System.* – The blockchain-based budget system shall, at a minimum, embody the following features to ensure transparency, accountability, and reliability:

- a. *Immutability* – All transactions and entries recorded in the system shall be permanent and shall not be subject to alteration, deletion, or manipulation, thereby preserving the integrity of official budgetary data.
- b. *Decentralization* – Validation functions shall be distributed across multiple independent institutions, agencies, or designated entities to prevent concentration of control and to strengthen institutional accountability.

- c. *Traceability* – The system shall provide a verifiable chain of records that allows public funds to be tracked from their appropriation in the General Appropriations Act down to their utilization in specific projects, programs, or beneficiaries.
- d. *Security and Resilience* – The system shall employ robust cryptographic safeguards, redundancy mechanisms, and disaster recovery protocols to ensure continuous operation and to protect all data, processes, and accounts against tampering, breaches, or system failures.
- e. *Interoperability* – The system shall be designed to be compatible with, and adaptable to, existing and future government information systems and emerging technologies, thereby ensuring scalability, efficiency, and seamless integration across platforms.

SEC. 6. Mandates of Implementing Agencies. -

- a. DICT shall serve as the lead implementing agency and is hereby authorized to engage and contract qualified private sector partners, technology providers, and academic institutions for the design, development, deployment, and maintenance of said system, subject to government procurement laws and regulations.
- b. DBM shall ensure the integration of the national budget process into the blockchain-based budget system including provision of timely and accurate data in coordination with DICT and other concerned agencies.
- c. COA shall integrate blockchain technology into its audit systems and processes and ensure that audit standards are aligned with blockchain-based recordkeeping.
- d. All government agencies, bureaus, office, commissions, and government-owned or controlled corporations shall integrate their financial management systems into the blockchain-based budget system and ensure timely submission of budget, procurement, and expenditure reports.

SEC. 7. *Implementing Rules and Regulations* - Within ninety (90) days from the effectivity of this Act, the DICT, in coordination with DBM and COA, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 8. *Appropriations*. – The amount of Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated from available funds in the National Treasury for the initial implementation of this Act. This shall cover the research, development, infrastructure setup, system integration, and capacity building required to transition to the blockchain-based budget system. Thereafter, such sums as maybe

necessary for its continued implementation and maintenance shall be included in the annual General Appropriations Act.

SEC. 9. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the remainder thereof not otherwise affected shall remain in full force and effect.

SEC. 10. *Repealing Clause.* – All laws, decrees, executive orders, memorandum orders, memorandum circulars, administrative orders, ordinances or parts thereof which are inconsistent with the provisions of this Act are hereby deemed repealed or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of national circulation.

Approved.