

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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SENATE

P. S. RES. NO. 348

RECEIVED BY: 

Introduced by **Senator Win Gatchalian**

RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN
INQUIRY, IN AID OF LEGISLATION, ON THE ECONOMIC IMPACT OF THE
UNITED STATES OF AMERICA-ISRAEL AND IRAN TENSIONS ON THE
MACROECONOMIC ASSUMPTIONS AND FISCAL TARGETS OF REPUBLIC
ACT NO. 12314 OR THE 2026 GENERAL APPROPRIATIONS ACT

1 **WHEREAS**, the formulation of the 2026 General Appropriations Act (GAA) rests
2 on a set of macroeconomic and fiscal assumptions. These parameters serve as the
3 basis for formulating the government's expected revenue and expense projections in
4 the budget;

5 **WHEREAS**, the escalating tensions in the Middle East increase the Philippine's
6 vulnerability to geopolitical shocks and energy price volatility;

7 **WHEREAS**, the Department of Economy, Planning, and Development
8 (DEPDev) in its report before the Senate Committee on Ways and Means on March
9 11, 2026, stated that inflation in 2026 may rise to 4.0%–4.2%, exceeding the 3.6%
10 pre-war forecast, if fuel prices reach USD 100 per barrel in March 2026 and remain
11 above USD 80 per barrel until May 2026, and could further increase to 4.5%–4.8% if
12 prices reach USD 140 per barrel in March 2026 and stay above USD 80 per barrel until
13 September 2026;

14 **WHEREAS**, in the similar report, DEPDev stated that Overseas Filipino Worker
15 (OFW) remittances could reduce by 65.3% from 2025 levels equivalent to PHP 226.58
16 billion, assuming a deployment ban and a 10% repatriation of OFWs on conflict-
17 affected countries;

18 **WHEREAS**, according to DEPDev, the gross domestic product will be pushed
19 back by as much as 0.20 to 0.30 percent this year if oil shock persists;

1 **WHEREAS**, several measures are now pending before the Congress aiming to
2 grant the President the power to suspend or reduce excise taxes on fuel to temper its
3 rising cost amid the global crisis;

4 **WHEREAS**, based on Department of Finance’s estimates presented before the
5 Senate Committee on Ways and Means, the suspension of excise tax on fuel from May
6 to December 2026 will reduce government revenue programmed for 2026 by PhP
7 135.9 billion which could lead to funding gaps on the programs, activities, and projects
8 under the 2026 GAA;

9 **WHEREAS**, any changes from key macroeconomic assumptions—particularly
10 real GDP growth, inflation, and Dubai Crude oil prices—and fiscal targets, may cause
11 the national budget to deviate from prevailing market conditions and underlying
12 economic assumptions;

13 **WHEREAS**, it bears noting that the 2026 GAA upholds a people-centered and
14 fiscally responsible budget designed to realize the nation’s full potential;

15 **WHEREAS**, there is a pressing need to assess whether current market
16 conditions remain aligned with the national budget and determine if fiscal policy
17 adjustments are necessary in order to make sure that the national budget will be
18 responsive to the needs of the country and our countrymen;

19 **NOW, THEREFORE BE IT RESOLVED BY THE SENATE OF THE**
20 **PHILIPPINES**, to direct appropriate Senate Committee to conduct an inquiry, in aid
21 of legislation, on the economic impact of the United States of America-Israel and Iran
22 tensions on the macroeconomic assumptions and fiscal targets of Republic Act No.
23 12314 or the 2026 General Appropriations Act.

Adopted,



WIN GATCHALIAN