

# I. BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS - OTHERS

For budgetary support to government-owned and/or controlled corporations not otherwise specifically appropriated in this Act ..... P 13,606,000 -----

New Appropriations, by Purpose  
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## Current\_Operating\_Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. PURPOSE				
1. Rest of Budgetary Support to Government-Owned and/or Controlled Corporations, subject to Section 35, Chapter 5, Book VI of E.O. No. 292 and Letter of Implementation No. 29		P 13,606,000		P 13,606,000
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Sub-total, Purpose		13,606,000		13,606,000
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TOTAL NEW APPROPRIATIONS		P 13,606,000		P 13,606,000
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## Special Provision(s)

1. Budgetary Support to GOCCs. All income and revenues collected by GOCCs from all sources shall be used to cover all of its operating requirements. Any deficiency may be augmented by the budgetary support from the National Government, which may be either subsidy or equity investments to GOCCs: PROVIDED, That payment of salaries, allowances and other benefits shall be in accordance with P.D. No. 985, as amended, and R. A. No. 6758, as amended, as well as R.A. No. 7305, and that retirement gratuities paid by GOCCs shall be computed in accordance with the rates, conditions and procedures prescribed under existing retirement laws, rules and regulations: PROVIDED, FURTHER, That the amount appropriated as subsidy may be used for the payment of retirement or separation benefits and incentives, in accordance with existing laws or executive issuances, to personnel of GOCCs which are financially unable to pay said benefits and/or incentives, subject to the submission and approval of a rationalization program under E.O. No. 366, s. 2004, and other laws and executive issuances as well as other measures that will enhance the efficiency and effectiveness of the GOCC concerned: PROVIDED, FURTHERMORE, That in no case shall equity investments be used for the payment of salaries, allowances, retirement gratuities and other benefits and incentives, except in cases authorized by the DBM: PROVIDED, FINALLY, That subsidy and equity releases shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

2. Offsets Against Budgetary Support to Government Corporations. The appropriations authorized herein may be offset by the BTr against the corporate payments of cash dividends under R.A. No. 7656, guarantee fees, advances for loans relented to corporations, obligations which are guaranteed by the National Government, and other receivables of the government from the GOCCS. If the total level of actual revenues at the end of the immediately preceding year, including income from liquid assets, such as interest in cash deposits as

well as in short-term and bond investments, and other fund sources of the GOCC, exceed the corresponding projections considered in the formulation of the current year's budgetary support program, the excess may be deducted from said program and the budgetary support may be reduced to the extent of such favorable result.

3. Submission of Corporate Operating Budgets and Other Related Financial Statements. All GOCCs, including GFIs, shall prepare their FY 2012 Corporate Operating Budget (COBs) in accordance with E. O. No. 518, s. 1979 and the procedures and guidelines prescribed by the DBM. Said COBs together with their supporting financial statements shall be approved by their governing boards, and submitted to the Secretary of Budget and Management for review and evaluation as part of the budget process pursuant to E.O. No. 518 and E.O. No. 292: PROVIDED, That the NEA, NPC and PNOC shall be governed further by the requirements of R.A. No. 7638.

4. Use of Income. In addition to the budgetary support to GOCCs appropriated herein, the following special accounts shall be used in support to GOCCs, as follows:

- (a) Cultural Center of the Philippines - Seven Million Pesos (P7,000,000) sourced from fifty percent (50%) of the Tobacco Inspection Fee in accordance with P.D. No. 1158, as amended;
- (b) Philippine Coconut Authority - Ten Million Pesos (P10,000,000) sourced from the Philippine Coconut Authority Development Fund created under P.D. No. 1234; and
- (c) National Tobacco Administration - Two Hundred Nineteen Million Two Hundred Thousand Pesos (P219,200,000) sourced from the Tobacco Fund created under R.A. No. 4155.

The release of the foregoing amounts shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

5. Subsidy to the National Food Authority. The amount of Four Billion Pesos (P4,000,000,000) appropriated as subsidy for the NFA shall be used exclusively for the procurement of palay and corn for its price stabilization and food security program. The NFA shall buy directly from farmers or their organizations, whose names together with the quantity purchased and the price paid shall be listed and verified under oath by the NFA, and posted in the municipal hall, public market or other conspicuous public places in the municipality where the farmers live: PROVIDED, That the NFA shall prioritize the provinces or regions where the absolute number of poor farmers and the incidence of poverty are high as identified in the latest official poverty statistics of the National Statistical Coordination Board (NSCB): PROVIDED, FURTHER, That funds for the purpose shall be released in time for the harvest season: PROVIDED, FURTHERMORE, That in cases of calamities, fortuitous events, or shortfall in production, such amount or a portion thereof, may be used for the importation of rice and corn as recommended by the NFA Council and approved by the President: PROVIDED, FINALLY, That the pricing scheme for imported rice and corn shall, as far as practicable, consider the full cost recovery.

The Administrator of NFA shall be responsible for ensuring that the targeted and actual number of small farmer beneficiaries and corresponding quantity of palay and/or corn bought and amount paid, status of implementation, and program evaluation and/or assessment reports are posted on the official website of the NFA, at least on a quarterly basis.

6. Report on Rice Stocks. All warehouses duly licensed or accredited by the NFA shall submit within thirty (30) days after the end of each quarter, either in printed form or by way of electronic document, to the NFA Administrator a report on actual rice stocks in their warehouse. The NFA Administrator shall then furnish the Congressional Oversight Committee on Agriculture and Fisheries Modernization a copy of the consolidated quarterly report on actual rice stocks, either in printed form or by way of electronic document.

7. Subsidy to the Philippine Coconut Authority. Of the amounts appropriated as subsidy for the Philippine Coconut Authority (PCA), Eight Hundred Ninety Eight Million Four Hundred Ninety Seven Thousand Pesos (P898,497,000) shall be used exclusively for the following: (i) Coconut Planting/Replanting Project; (ii) Coconut Fertilization Project; and (iii) Sustainable Livelihood (KAANIB) Project: PROVIDED, That the PCA shall prioritize the provinces or regions where the absolute number of poor farmers and the incidence of poverty are high as identified in the latest official poverty statistics of the NSCB.

The administrator of PCA shall be responsible for ensuring that the targeted and actual number of small farmer beneficiaries, status of implementation, and program evaluation and/or assessment reports are posted on the official website of PCA, at least on a quarterly basis.

8. Subsidy to the Philippine Crop Insurance Corporation. The amount of One Hundred Eighty Three Million Seven Hundred Seventy One Thousand Pesos (P183,771,000) appropriated as subsidy for the Philippine Crop Insurance Corporation (PCIC) shall be used exclusively for crop insurance premiums of subsistence farmers: PROVIDED, That any savings realized from the current year's premium subsidy shall be applied to the payment of premium arrearages. Release of these amounts shall be subject to the submission of a Special Budget duly endorsed by the Secretary of Agriculture pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and such other reports and financial statements that may be required by the DBM.

The President of PCIC shall be responsible for ensuring that the list of subsistence farmer beneficiaries and amount of premium subsidy, status of implementation, and program evaluation and/or assessment reports are posted on the official website of PCIC, at least on a quarterly basis.

9. Subsidy to the Philippine Rice Research Institute. The amount of Three Hundred Forty Million Nine Hundred One Thousand Pesos (P340,901,000) appropriated as subsidy to the Philippine Rice Research Institute shall be used exclusively for its rice research and development program, which shall be in support of the National Rice Program of the DA.

10. Subsidy to the National Irrigation Administration. The amount of Two Billion Sixty Million Five Hundred Ninety Eight Thousand

Pesos (P2,060,598,000) appropriated as subsidy for the NIA shall be used exclusively for its operating requirements including the engineering and administrative overhead (EAO) expenses for the irrigation projects to be implemented by NIA under the DA budget. The EAO covers expenses for pre-construction activities after detailed engineering, construction project management, testing and quality control, acquisition, rehabilitation and repair of heavy equipment, and other related equipment and parts used in the implementation of irrigation projects and contingencies.

11. Subsidy to the National Electrification Administration. The amount of Two Billion Five Hundred Sixty Eight Million Five Hundred Thousand Pesos (P 2,568,500,000) appropriated as subsidy for NEA shall be used exclusively for the following purposes:

- a) Sitio Electrification Project P 2,000,000,000
- b) Barangay Line Enhancement Project P 568,500,000

PROVIDED, That the release of the foregoing amounts shall be subject to the submission by NEA of the following: (i) certification from the barangay chairman on the following information per sitio: (i.a) population; (i.b) number of households; and (i.c) sitios that need to be energized; (ii) map of the province indicating therein the sitio and barangay to be energized; (iii) definition of a sitio and barangay under the Projects; (iv) criteria used to determine when a sitio is considered energized and a barangay grid line enhanced; and (v) the specific cost of energizing a sitio or enhancing a barangay grid line: PROVIDED, FURTHER, That the NEA shall prioritize (i) sitios and barangays where the absolute number of indigents and the incidence of poverty are high as identified in the latest official poverty statistics of the NSCB; (ii) sitios and barangays which are within high-conflict areas; and (iii) sitios with high capability of being energized.

In no case shall said subsidy be used for the payment of salaries, wages, honoraria, allowances, separation benefits, and similar personnel expenditures of the NEA: PROVIDED, That such subsidy releases may be used to cover loans outlay or grants to electric cooperatives: PROVIDED, FURTHER, That the amount corresponding to the grants given to electric cooperatives shall remain as subsidy: PROVIDED, FINALLY, That unless otherwise provided in the terms and conditions of the grant, all grants and subsidies to electric cooperatives shall be actually transferred to the exclusive account of the electric cooperatives which shall implement the project, or bid the same to qualified contractors, or do the actual purchase of materials needed in the construction, repair or rehabilitation of their respective electrification projects.

12. Appropriations for the Acquisition of Medical Equipment. The amounts appropriated for the acquisition of medical equipment for the Lung Center of the Philippines, National Kidney and Transplant Institute, Philippine Children's Medical Center and Philippine Heart Center shall be used exclusively for the acquisition of medical equipment for expansion/development/upgrading of existing services of the said hospitals. A report on the utilization of the amount herein approved for the purpose including the description, specification, quantity, unit price and total cost of medical equipment purchased shall be submitted to the DBM, the House Committee on Appropriations and the Senate Committee on Finance.

13. Subsidy to the Local Water Utilities Administration. The amount of Seven Hundred Million Pesos (P700,000,000) appropriated as subsidy for the Local Water Utilities Administration shall be used exclusively for the construction of Level III potable water supply for waterless municipalities and shall in no case be used for salaries, wages, honoraria, allowances, separation benefits and similar personnel expenditures: PROVIDED, That such subsidy releases may be used to cover loans outlay or grants to water districts: PROVIDED, FURTHER, That releases used as loans outlay shall be treated as equity contribution of the national government to LWUA in the event that its authorized capitalization is increased by law.

14. Subsidy to the National Housing Authority. The amount of Five Billion Six Hundred Thirty One Million Twenty Five Thousand Pesos (P5,631,025,000) appropriated as subsidy for the NHA shall be used exclusively for the following purposes:

- a) Resettlement Program P 5,503,180,000
- b) Slum Upgrading of Lands Proclaimed as Socialized Housing Sites P 127,845,000

The amounts appropriated for the Resettlement Program includes, as follows:

- a) Relocation and resettlement of families in danger areas, particularly in Metro Manila and nearby areas;
- b) Development of resettlement sites for families affected by typhoons and fire; and
- c) Regional Resettlement Project:

PROVIDED, That the appropriations authorized for the NHA shall be released upon submission of the listing and details of projects as approved by the NHA Board: PROVIDED, FURTHER, That implementation of the foregoing programs shall be made in accordance with R.A. No. 7279, R.A. No. 7835 and their Implementing Rules and Regulations: PROVIDED, FINALLY, That the NHA shall submit reports, either in printed form or by way of electronic document, indicating, among others, the breakdown of disbursements for the aforesaid programs to the DBM, the House Committee on Appropriations, the Senate Committee on Finance and the House and the Senate Committees on Housing.

15. Improvement in Operations and Release of Appropriations for the National Home Mortgage Finance Corporation. The National Home Mortgage Finance Corporation (NHMFC) shall implement a rehabilitation program to increase collection efficiency and improve the quality of its loan portfolio in accordance with the Memorandum of Agreement dated June 5, 1996 and its approved Rationalization Plan under E.O. No. 366, s. 2004. The NHMFC shall submit its collection and other reports as may be required by the DBM under E.O. No. 518, s. 1979, which may be used as basis for the release of allotments and notices of cash allocation, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

16. Implementation of Housing Projects. In the implementation of housing projects, the shelter agencies shall adopt and promote the

use of new and innovative housing technologies and materials to bring down the cost of housing and reduce the impact of construction on the environment.

17. Subsidy to the Development Academy of the Philippines. The amount of Forty-Five Million Pesos (P45,000,000) appropriated as subsidy for the Development Academy of the Philippines shall be used exclusively for the implementation of the National Government's Career Executive Service Development Program (NGCESDP). For this purpose, there shall be a NGCESDP Inter-Agency Steering Committee, composed of a representative from NEDA as Chairperson and representatives from the CSC, Career Executive Service Board, DBM and DOF as members. The NGCESDP Inter-Agency Steering Committee shall review and approve the Program design and its components, selection criteria for Program participants, rates of honoraria for faculty and resource persons, and such other factors in the implementation of the Program.

18. Subsidy to the Philippine Center for Economic Development. The amount of Fourteen Million Five Hundred Thousand Pesos (P14,500,000) appropriated as subsidy to the Philippine Center for Economic Development shall be used exclusively for its Research Program: PROVIDED, That the design of said Program shall be consistent with the economic development priorities of the government under E.O. No. 43, s. 2011.

19. Equity to the Cagayan Economic Zone Authority. The amount of Nine Hundred Three Million Five Hundred Thousand Pesos (P903,500,000) appropriated as equity for the Cagayan Economic Zone Authority (CEZA) shall be used exclusively for the implementation of Phase 4-A of the Port Irene Breakwater Project: PROVIDED, That said amount shall be released only upon approval of said Project by the NEDA Investment Coordination Committee.

20. Release of the Cagayan Economic Zone Authority Share from the Five Percent of Gross Income Paid by All Business Establishments Operating Within the Cagayan Economic Zone. The amount of Twelve Million Three Thousand Pesos (P12,003,000) representing the one and a half percent (1 1/2%) share of the CEZA from the gross income paid by all business establishments operating within the Cagayan Economic Zone in FYs 2005-2008 pursuant to Section 4 of R.A. No. 7922, shall be released by the DBM directly to the CEZA upon the submission of the joint or reconciled certification/s of actual collection by the BIR and remittance to the BTr and a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

21. Fund Releases. Funds appropriated herein shall be under the administration of the DBM. Said funds shall be released directly to the recipient GOCC through the BTr. All requests for fund releases either as subsidy or equity investments to GOCCs shall be included in their respective COBs duly approved by their respective governing boards.

22. Remittance of Cash Dividends. Cash dividends equivalent to at least fifty percent (50%) of the annual net earnings of GOCCs shall be remitted to the National Treasury as income of the General Fund pursuant to R.A. No. 7656.

23. Transparency Seal. To enhance transparency and enforce accountability, all GOCCs shall maintain a transparency seal to be posted on their official websites. The transparency seal shall contain the following information: (i) the corporation's mandates and functions, names of its officials with their position and designation, and its contact information; (ii) year-end financial reports and trial balances for the last three (3) fiscal years; (iii) their approved corporate operating budgets and corresponding targets immediately upon approval thereof; (iv) amount of budgetary support from the National Government; (v) major programs and projects categorized in accordance with the five (5) key result areas under E.O. No. 43, s. 2011; (vi) the programs/projects beneficiaries as identified in the applicable special provisions; (vii) status of implementation, and program/project evaluation and/or assessment reports; and (viii) annual procurement plan, contracts awarded and the name of contractors/suppliers/consultants.

The respective heads of GOCCs shall be responsible for ensuring compliance with this requirement.

#### GENERAL SUMMARY

#### BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

Current_Operating_Expenditures_				
	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. Department of Agriculture		P 7,938,499,000		P 7,938,499,000
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A.1. National Dairy Authority		170,472,000		170,472,000

A.2.	National Food Authority	4,000,000,000		4,000,000,000
A.3.	National Irrigation Administration	2,060,598,000		2,060,598,000
A.4.	Philippine Coconut Authority	1,182,757,000		1,182,757,000
A.5.	Philippine Crop Insurance Corporation	183,771,000		183,771,000
A.6.	Philippine Rice Research Institute	340,901,000		340,901,000
B.	Department of Energy	2,568,500,000		2,568,500,000
B.1.	National Electrification Administration	2,568,500,000		2,568,500,000
C.	Department of Health	1,294,360,000		1,294,360,000
C.1	Lung Center of the Philippines	257,560,000		257,560,000
C.2	National Kidney and Transplant Institute	264,800,000		264,800,000
C.3.	Philippine Children's Medical Center	445,000,000		445,000,000
C.4.	Philippine Heart Center	287,000,000		287,000,000
C.5.	Philippine Institute of Traditional and Alternative Health Care	40,000,000		40,000,000
D.	Department of Public Works and Highways	700,000,000		700,000,000
D.1.	Local Water Utilities Administration	700,000,000		700,000,000
E.	Department of Tourism		250,000,000	250,000,000
E.1.	Tourism Promotion Board		250,000,000	250,000,000
F.	Department of Trade and Industry	151,510,000	277,500,000	429,010,000
F.1	Aurora Pacific Economic Zone and Freeport Authority (Formerly ASEZA)	55,000,000	277,500,000	332,500,000
F.2.	Center for International Trade Expositions and Missions	88,510,000		88,510,000
F.3.	Cottage Industry Technology Center	8,000,000		8,000,000
G.	National Economic and Development Authority	33,000,000		33,000,000
G.1.	Philippine Institute for Development Studies	33,000,000		33,000,000
H.	Other Executive Offices	6,797,506,000	1,552,122,000	8,349,628,000
H.1.	Authority of the Freeport Area of Bataan		100,000,000	100,000,000
H.2.	Cagayan Economic Zone Authority	12,003,000	903,500,000	915,503,000
H.3.	Credit Information Corporation	28,410,000	37,622,000	66,032,000
H.4.	Cultural Center of the Philippines	195,000,000		195,000,000

H.5.	Development Academy of the Philippines	45,000,000		45,000,000
H.6.	Home Guaranty Corporation		500,000,000	500,000,000
H.7.	National Home Mortgage Finance Corporation	500,000,000		500,000,000
H.8.	National Housing Authority	5,631,025,000		5,631,025,000
H.9.	Philippine Center for Economic Development	14,500,000		14,500,000
H.10	Philippine Postal Corporation	301,000,000		301,000,000
H.11	Southern Philippines Development Authority	21,468,000		21,468,000
H.12	Zamboanga City Special Economic Zone Authority	49,100,000	11,000,000	60,100,000
I.	Budgetary Support to Government Corporations - Others	13,606,000		13,606,000
Total New Appropriations, Budgetary Support to Government Corporations		P 19,496,981,000	P 2,079,622,000	P 21,576,603,000
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