

UNPROGRAMMED APPROPRIATIONS

SECTION 3 : SPECIAL PROVISION(S)

1. Use and Availment of the Unprogrammed Appropriations. The amounts authorized herein for Purposes 1 to 6, covered in the succeeding provisions, shall be availed of upon the occurrence of any one of the following instances and subject to compliance with any conditions under the pertinent special provisions: (i) when there are excess revenue collections in any one of the identified non-tax revenue sources from its corresponding revenue collection target, as reflected in Tables C.1 and C.4 of the BESF submitted by the President of the Philippines to Congress pursuant to Section 22, Article VII of the Constitution: PROVIDED, That the amount authorized herein for Purpose 6 (General Fund Adjustments for Use of Excess Income by Agencies) may only be availed of when an agency authorized to collect fees or charges under Table C.4 of the BESF has generated income in excess of its total revenue collection target presented in the aforesaid Table of the BESF; (ii) when there are new revenue collections, defined as those arising from new tax laws or new non-tax sources which are not part of nor included in the original revenue sources reflected in Tables C.3 and C.4 of the BESF; or (iii) when there are newly approved loans for foreign-assisted projects.

2. Releases from the Unprogrammed Appropriations. Releases from excess non-tax revenue collections under Item (i) above shall be subject to issuance of a certification from the DOF or BTr, as the case may be, that the actual collections from a particular revenue source has exceeded its corresponding revenue collection target, as reflected in Tables C.1 and C.4 of the BESF: PROVIDED, That in the case of excess revenue collections by an agency authorized to collect fees or charges, releases therefrom shall only require a certification from the BTr that the agency concerned has generated income in excess of its total revenue collection target presented in Table C.4 of the BESF and said income has been deposited with the National Treasury.

In the case of new revenue collections, releases therefrom shall be subject to certification by the DOF or BTr, as the case may be, that the collections identified were not part of nor included in the original revenue collection targets reflected in Tables C.3 and C.4 of the BESF.

For newly approved loans, the same shall be supported by a perfected loan agreement, which shall be sufficient basis for the issuance of a SARO covering the loan proceeds.

3. Budgetary Support to Government-Owned or -Controlled Corporations. The amount of Five Billion Sixty Million Seven Hundred Sixty Two Thousand Pesos (P5,060,762,000) chargeable against Purpose 1 shall be used to cover the power subsidy requirements of GOCCs and record the proceeds of National Government loans relented to GOCCs.

Releases from said amount for the power subsidy requirements of GOCCs 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, and such supporting documents as may be required by the DBM.

For the proceeds of National Government loans relented to GOCCs, the SARO/s to be issued shall be the basis of recording the GOCCs' loans payable to the National Government.

4. Support to Foreign-Assisted Projects. The amount of Three Billion Ninety Five Million Three Hundred Nineteen Thousand Pesos (P3,095,319,000) chargeable against Purpose 2 shall be used in support to foreign-assisted projects.

Releases from said amount shall be subject to approval by the NEDA Investment Coordination Committee of the project to be funded and submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

5. Support for Infrastructure Projects and Social Programs. The amount of Twenty Billion Pesos (P20,000,000,000) chargeable against Purpose 3 shall be used in support of the following: (i) social protection programs; (ii) social services; and (iii) infrastructure projects.

Releases from said amount shall be subject to submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

6. Armed Forces of the Philippines Modernization Program. The amount of Ten Billion Pesos (P10,000,000,000) chargeable against Purpose 4 shall be used exclusively to support the funding requirements for the modernization projects under the AFP Modernization Program in accordance with R.A. No. 10349.

Releases from said amount shall be subject to submission by the DND to DBM of the recommendation by the appropriate bids and awards committee for the award of contracts for the implementation of modernization projects in accordance with the provisions of R.A. No. 9184, its Implementing Rules and Regulations, and guidelines.

7. Risk Management Program. In order to manage the National Government's fiscal risks and enhance the country's credibility among potential Public-Private Partnership (PPP) proponents, the amount of Thirty Billion Pesos (P30,000,000,000) chargeable against Purpose 5 shall be used by departments, bureaus and offices of the National Government, including GOCCs for the government's Risk Management Program to cover commitments made by, and obligations of, the National Government in the concession agreements relative to PPP projects, approved by the NEDA Board, subject to the pertinent provisions of laws, rules and regulations: PROVIDED, That in order to cover all the obligations of a GOCC in a concession agreement, the National Government should have issued a performance undertaking or any similar instrument assuming such obligations. Otherwise, only the contingent liabilities arising from regulatory risks assumed by the National Government shall be paid from the foregoing amount.

Releases from said amount shall be subject to approval by the DBCC on the undisputed amount of contingent liabilities demanded by the private concessionaire as certified by the head of the implementing agency concerned.

8. General Fund Adjustments for Use of Excess Income by Agencies. The amount of Two Hundred Million Pesos (P200,000,000) chargeable against Purpose 6 may be used by departments, bureaus and offices of the National Government authorized to collect fees and charges, as shown in Table C.4 of the BESF for income realized and deposited with the National Treasury, in excess of the revenue collection targets presented in the aforesaid Table of the BESF to augment their respective current appropriations: PROVIDED, That said income shall not be used to fund Personnel Services appropriations including payment of discretionary and representation expenses.

Releases from said amount shall be subject to the submission by an agency of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292 together with a certification from the BTr that the agency concerned has generated income in excess of its revenue collection target presented in Table C.4 of the BESF and said income has been deposited with the National Treasury.

9. General Fund Adjustments for the share of the Autonomous Region in Muslim Mindanao Pursuant to Republic Act No. 9054. The Unprogrammed Appropriations shall likewise be used as appropriations cover for the share of the ARGMM and the LGUs concerned from the current year's collections of national internal revenue taxes, fees and charges, and taxes imposed on natural resources collected within the area of autonomy pursuant to Section 9, Article IX of R.A. No. 9054, in the amount of Eight Hundred Million Pesos (P800,000,000) chargeable against Purpose 7 and may be availed of when the province or city in ARMM has collections from said taxes in excess of the amount appropriated under the ARGMM Budget.

Releases for said purpose shall be subject to the submission by the ARGMM of a certification by the BIR of actual remittance of collections of the province or city in ARMM from the foregoing taxes, fees and charges.

10. Equity Value Buy-out of the Metro Rail Transit Corporation. The Unprogrammed Appropriations shall likewise be used as appropriations cover for the payment of the equity value buy-out of the Metro Rail Transit Corporation (MRTC) in the amount of Fifty Three Billion Nine Hundred Million Pesos (P53,900,000,000) chargeable against Purpose 8 and may be availed of when there is a newly approved domestic loan for the funding of the Equity Value Buy-out of the MRTC.

The obligations of the National Government for the payment of prior and current years' equity rental and maintenance fees, staffing and administrative cost, agency fee, cost for special repairs and systems insurance due to the MRTC under the build-lease-and-transfer agreement executed between the DOTC and MRTC shall cease upon full payment of the equity value buy-out of the MRTC by the National Government, through the DOTC.

Release of said amount shall be subject to submission by the DOTC of the following: (i) copy of the final decision in the arbitration case between the DOTC and MRTC filed before the Singapore Permanent Court of Arbitration (PCA) and docketed as PCA case no. AA-340; and (ii) order of judicial recognition of the decision of the Singapore PCA in the Philippine jurisdiction.

11. Amounts under the Unprogrammed Appropriations. The amounts authorized under Purpose 3 (Support for Infrastructure Projects and Social Programs), Purpose 4 (Armed Forces of the Philippines Modernization Program), Purpose 5 (Risk Management Program) and Purpose 6 (General Fund Adjustments for Use of Excess Income by Agencies) in the Unprogrammed Appropriations may be used as appropriations cover for the deficiency amount needed to implement the programs, projects or activities authorized under any of the purposes in the Unprogrammed Appropriations: PROVIDED, That the same shall be subject to the approval of the President of the Philippines: PROVIDED FURTHER, That implementation of this provision shall in no case exceed the total amount authorized under the Unprogrammed Appropriations.
12. Reportorial Requirement. The DBM shall submit, either in printed form or by way of electronic document, to the House Committee on Appropriations and the Senate Committee on Finance separate quarterly reports stating the releases from the Unprogrammed Appropriations, the amounts released and the purposes thereof, and the recipient departments, bureaus and offices, including GOCCs and GFIs, as well as the authority under which the funds are released under Special Provision No. 1 of the Unprogrammed Appropriations.

Appropriations and Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2013</u>
New General Appropriations	<u>10,997,463</u>
General Fund	
R.A. No. 10352	10,997,463
Budgetary Adjustment(s)	<u>(10,997,463)</u>
Transfer(s) to:	
General Fund Adjustments	
Autonomous Region in Muslim Mindanao	
Autonomous Regional Government in Muslim Mindanao	(739,124)
Department of Environment and Natural Resources	
National Water Resources Board	(1,830)
Unprogrammed Fund (BSGC)	
Budgetary Support to Government Corporations	
Small Business Corporation	(9,389)
Unprogrammed Fund (SIPSP)	
Department of Agriculture	
Bureau of Fisheries and Aquatic Resources	(1,705,720)
Department of the Interior and Local Government	
Office of the Secretary	(51,800)
Department of Social Welfare and Development	
Office of the Secretary	(4,405,000)
Budgetary Support to Government Corporations	
National Housing Authority	(4,084,600)
Total Available Appropriations	<u> </u>
TOTAL OBLIGATIONS	<u>=====</u>

Appropriation

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>
Unprogrammed Appropriations	<u>139,903,759</u>	<u>123,056,081</u>
General Fund	<u>139,903,759</u>	<u>123,056,081</u>
Total Available Appropriations	<u>139,903,759</u>	<u>123,056,081</u>
Unused Appropriations	<u>(139,903,759)</u>	<u>(123,056,081)</u>
Unreleased Appropriation	<u>(139,903,759)</u>	<u>(123,056,081)</u>
TOTAL OBLIGATIONS	<u>=====</u>	<u>=====</u>

Proposed New Appropriations Language

For fund requirements in accordance with the purposes indicated hereunder.....P 123,056,081,000
=====

New Appropriations, by Purpose

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PURPOSE(S)				
Budgetary Support to Government-Owned and/or - Controlled Corporations	P 5,050,254,000	P 10,508,000	P 5,060,762,000	
Support to Foreign-Assisted Projects	500,000,000	2,595,319,000	3,095,319,000	
Support for Infrastructure Projects and Social Programs	7,000,000,000	13,000,000,000	20,000,000,000	
AFP Modernization Program	500,000,000	9,500,000,000	10,000,000,000	
Risk Management Program	10,000,000,000	20,000,000,000	30,000,000,000	
General Fund Adjustments for Use of Excess Income by Agencies	100,000,000	100,000,000	200,000,000	
General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054	800,000,000		800,000,000	
Equity Value Buy-out of the Metro Rail Transit Corporation		53,900,000,000	53,900,000,000	
Sub-total, Purpose(s)	23,950,254,000	99,105,827,000	123,056,081,000	
TOTAL NEW APPROPRIATIONS	P 23,950,254,000	P 99,105,827,000	P 123,056,081,000	
	=====	=====	=====	

Obligations, by Object of Expenditures

CY 2013
(In Thousand Pesos)

2013

A. PURPOSE

Current Operating Expenditures

Personal Services

I. Civilian Personnel

Contractual, Casual and Emergency Personnel	<u>961</u>
Total Salaries/Wages	<u>961</u>
Other Compensation	
Lump-sum for Personal Services	100,000
Back Salaries	<u>75,000</u>
Total Other Compensation	<u>175,000</u>
Total, Personal Services of Civilian Personnel	<u>175,961</u>

II. Uniformed/Military Personnel	
Allowances and Other Collaterals	
Pensions, Military	3,000,000
Total Allowances and Other Collaterals	3,000,000
Total, Personal Services of Uniformed/Military Personnel	3,000,000
Gross Compensation	3,175,961
01 Total Personal Services	3,175,961
Maintenance and Other Operating Expenses	
10 Subsidies and Donations	31,031,039
29 Professional Services	511,500
Total Maintenance and Other Operating Expenses	31,542,539
Total Current Operating Expenditures	34,718,500
Capital Outlays	
32 Loans Outlay	60,419,613
34 Land and Land Improvements Outlay	9,155,389
35 Buildings and Structures Outlay	313,500
38 Transportation Equipment	566,140
39 Lump-sum for Capital Outlays	250,000
40 Machineries and Equipment	10,632,180
41 Public Infrastructures	1,493,049
Total Capital Outlays	82,829,871
Total Purpose	117,548,371

Obligations, by Object of Expenditures

CYs 2014-2015
(In Thousand Pesos)

	2014	2015
Current Operating Expenditures		
Personnel Services		
Civilian Personnel		
Other Compensation for Specific Groups		
Lump-sum for Compensation Adjustment	75,000	
Lump-sum for Personnel Services	100,800	
Total Other Compensation for Specific Groups	175,800	
Other Personnel Benefits		
Pension, Veterans	243,000	
Total Other Personnel Benefits	243,000	
TOTAL PERSONNEL SERVICES	418,800	

222 EXPENDITURE PROGRAM FY 2015 VOLUME I

Maintenance and Other Operating Expenses		
Financial Assistance/Subsidy	16,091,244	15,550,254
Other Maintenance and Operating Expenses		
Other Maintenance and Operating Expenses	511,500	8,400,000
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>16,602,744</u>	<u>23,950,254</u>
 TOTAL CURRENT OPERATING EXPENDITURES	 <u>17,021,544</u>	 <u>23,950,254</u>
 Capital Outlays		
Investment Outlay	20,000,000	66,900,000
Loans Receivable Accounts Outlay	36,268	10,508
Loans Receivable Accounts Outlay	21,000,000	20,000,000
Property, Plant and Equipment Outlay		
Infrastructure Outlay	35,500,000	
Buildings and Other Structures	38,313,500	
Machinery and Equipment Outlay	8,032,447	12,195,319
TOTAL CAPITAL OUTLAYS	<u>122,882,215</u>	<u>99,105,827</u>
 GRAND TOTAL	 <u>139,903,759</u>	 <u>123,056,081</u>