

LIII. UNPROGRAMMED FUND

For fund requirements in accordance with the purposes indicated hereunder..... P20,055,543,000

New Appropriations, by Purpose

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. PURPOSES				
1. Budgetary Support to Government-Owned and/or -Controlled Corporations Subject to Section 35 of E.O. No. 292	P	P	P 2,500,000,000	P 2,500,000,000
2. National Government Support for Housing Programs/Projects		2,575,000,000	925,000,000	3,500,000,000
3. Support for Foreign Assisted Projects, including Davao International Airport Project, ADB/EIB), Laguindingan Airport Development Project (KEDCF), Philippine Airways Modernization Project-Phase II, Maritime Safety Improvement Project Package I-B (OECF 20th Yen), National Telephone Program 1-2 (Rest of the Tranche-Stages I & II) (French Protocol), National Telephone Program 1-3 (Pilot Project Extension and Rest of the Tranche) (Italian Loan), Government Emergency Telecom System II (OECF 22nd Yen), Acquisition of Search and Rescue (SAR) Vessels (AUS AID), Global Maritime Distress Safety System (UK Mixed Credit Facility), Forestry Sector Loan II (ADB 1191/1192 PHI), Forestry Sector Loan II (OECF) and ADB-Assisted 6th Roads Improvement Project	30,000,000	220,000,000	5,250,000,000	5,500,000,000
4. Comprehensive Import Supervision Scheme		3,000,000,000		3,000,000,000
5. Municipal Development Fund		433,126,000		433,126,000
6. Shares of CHED and PCIC from Proceeds of lotto operations of the Philippine Charity Sweepstakes Office			194,577,000	194,577,000
7. Acquisition of Hydrographic and Oceanographic Vessels			1,127,840,000	1,127,840,000
8. Agricultural Competitiveness Enhancement Fund			800,000,000	800,000,000
9. General Fund Adjustments	795,000,000	1,040,000,000	1,165,000,000	3,000,000,000
TOTAL NEW APPROPRIATIONS	P 825,000,000	P 7,268,126,000	P11,962,417,000	P20,055,543,000

Special Provisions

1. Release of the Fund. The amounts herein appropriated shall be released only when the revenue collections exceed the original revenue targets submitted by the President of the Philippines to Congress pursuant to Section 22, Article VII of the Constitution or when

the corresponding funding or receipts for the purpose have been realized except in the special cases covered by specific procedures in Special Provision Nos. 2, 3, and 5 herein: PROVIDED, That in cases of foreign-assisted projects, the existence of a perfected loan or grant agreement shall be sufficient compliance for the issuance of a Special Allotment Release Order covering the loan or grant proceeds: PROVIDED, FURTHER, That no amount of the Unprogrammed Fund shall be funded out of the savings generated from programmed items in this Act.

2. Stock Dividends. Stock dividends when declared by government-owned and/or controlled corporations in favor of the National Government pursuant to R.A. No. 7656 shall be considered as equity contributions of the National Government to said corporations: PROVIDED, That such contributions shall be chargeable against Purpose 1 - Budgetary Support to Government-Owned and/or Controlled Corporations: PROVIDED, FURTHER, That such contributions shall require only the issuance of Special Allotment Release Order for book entry purposes.

3. National Government Support for Housing Programs/Projects. The appropriations herein authorized as national government support for various programs and projects including the requirements for the Abot Kaya Pabahay Program mandated under R.A. No. 7835, otherwise known as the Comprehensive and Integrated Shelter Finance Act (CISFA) of 1994 as implemented by the National Home Mortgage Finance Corporation (NHMFC), National Housing Authority (NHA) and Home Insurance and Guaranty Corporation (HIGC) shall be released in accordance with the implementing rules and regulations issued for the purpose, the certification by the Bureau of the Treasury on the actual deposits of incremental revenues derived from documentary stamp tax in 1994 and 1995, among others, identified under Sections 10 and 11 of R.A. No. 7835, and the submittal of reports as may be required by the Department of Budget and Management.

4. Relending to Local Government Units. The amount appropriated under the Municipal Development Fund shall be used for relending to LGUs and shall be released to and administered by the Bureau of Local Government Finance of the Department of Finance for the following foreign-loan assisted projects:

Program for Essential Municipal Infrastructure Utilities, Maintenance and Engineering Development (PREMIUMED) II IBRD - 3435PH	P 235,146,000
Bukidnon Integrated Development Project	36,765,000
Philippine Regional Municipal Development Project	143,015,000
Community-Based Resource Management Project	18,200,000

Total	P 433,126,000

5. Shares from Proceeds of Lotto Operations of the Philippine Charity Sweepstakes Office. The Commission on Higher Education and the Philippine Crop Insurance Corporation shall be entitled to their shares from the lotto operations, subject to the certification of the receipt of funds from the Philippine Charity Sweepstakes Office by the Bureau of Treasury as follows:

a. CHED. One percent (1%) of gross sales of the PCSO from its lotto operations pursuant to Section 10 of R.A. No. 7722, for the Higher Education Development Fund;

b. PCIC. Ten percent (10%) of the net earnings of the PCSO from its lotto operations, pursuant to Sections 6.5 of R.A. No. 8175.

6. Release of Funds for the Acquisition of Hydrographic and Oceanographic Vessels. The amount appropriated herein for this project shall be released to the National Mapping and Resource Information Authority upon the perfection of the covering loan agreement.

7. Agricultural Competitiveness Enhancement Fund. The Appropriations herein authorized shall be funded from the proceeds of the importation of agricultural products with minimum access volume. The same shall be used to finance irrigation, farm-to-market roads, post harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining, extension services, and other forms of assistance and support to the agricultural sector as mandated under Section 8 of R.A. No. 8178: PROVIDED, That an amount not exceeding Two Hundred Forty Five Million Pesos (P245,000,000) will be provided for the implementation of competitiveness enhancement for the crops and livestock sectors.

8. Authorized Overdrafts of Departments/Agencies. The amount appropriated under Purpose 9 - General Fund Adjustments may be used to cover past authorized overdrafts of bureaus/agencies pertaining to salary increase, bonus, terminal leave and retirement gratuity mandated by existing circulars issued for the purpose: PROVIDED, That such overdrafts shall be validated by the Commission on Audit: PROVIDED, FURTHER, That such appropriation shall require only the issuance of a Special Allotment Release Order for book entry purposes.

9. Specific Local Government Shares. Such amount as may be necessary under Purpose 9 - General Fund Adjustments may be used to cover remittances of the shares in national revenue of Olongapo City, municipality of Subic and other local government units affected by the declaration of the Subic Special Economic Zone pursuant to Section 12 (c) of R.A. No. 7227 upon determination by the Bureau of Internal Revenue of the amounts due and accruing to the local government units concerned and certification by the Bureau of the Treasury that the receipts authorized for the purpose have been actually remitted to the Bureau of the Treasury.

10. Modernization of the AFP, PNP, NAPOLCOM and NAMRIA. The funds needed to support the modernization program of the Armed Forces of the Philippines, Philippine National Police, National Police Commission and National Mapping and Resource Information Authority shall, among others, be sourced and augmented from the proceeds of privatization as well as disposition of the assets of the said agencies other than those specified in R.A. No. 7227, as amended by R.A. No. 7917. The funds thus generated shall be automatically appropriated up to the extent necessary for the purpose, subject to Section 35, Chapter 5, Book VI of E.O. No. 292. Any proceeds in excess of actual funding requirements shall be reverted to the General Fund.

11. Use of Income from Fees and Charges. Agencies collecting fees and charges as shown in the 1997 Budget of Expenditures and Sources of Financing for services rendered are authorized to use during the Calendar Year Fifty Percent (50%) of the actual increase in collections from such fees and charges between 1995 and 1996 chargeable against Purpose 9 - General Fund Adjustments to augment their

respective current appropriations: PROVIDED, That the use of said increase in collections shall be subject to the submission of a special budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292: PROVIDED, FURTHER, That said increase shall not be used to augment Personal Services appropriations.

12. Use/Charging of Income. Departments and agencies which are listed hereunder are authorized to use their income chargeable against Purpose 9 - General Fund Adjustments shall be subject to the limitations indicated herein and to special budgets pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, except as otherwise provided hereunder: PROVIDED, That such income shall have been actually collected and remitted to the National Treasury: PROVIDED, FURTHER, That such income shall not be used for the creation of positions nor for payment of salaries, wages or allowances of existing permanent positions: PROVIDED, FURTHERMORE, That if the authority to use income herein granted is availed of by the Agency, it is precluded from availing itself of the use of income under Special Provision No. 11 hereof: PROVIDED, FINALLY, That the department or agency concerned shall submit to the Department of Budget and Management a quarterly report of such income and its utilization, and in case of failure to submit said requirement, no withdrawal shall be allowed in subsequent quarters except upon certification of the DBM that said requirement was submitted.

DEPARTMENT/AGENCY	SOURCE OF INCOME	PURPOSE	AMOUNT
AGRICULTURE			
Office of the Secretary	Training fees and other income derived from the use and operation of the Agricultural Training Institute and other Agricultural Training Centers	Maintenance and operation of training facilities administered by the Institute	5,000,000
Bureau of Post Harvest Research and Extension	Income from the sale of stocks, developed technologies and training materials; training fees; operations of the grain processing plant; R & D facilities	To cover expenses incurred in the conduct of experiments, maintenance of grain processing plant and R & D facilities	5,000,000
National Meat Inspection Commission	Income derived from ante-mortem and post-mortem fees, meat import and export, accreditation and licensing fees and services such as processing fees for veterinary quarantine certificate import permit and laboratory fees	To defray developmental expenses	4,000,000
BUDGET AND MANAGEMENT			
Procurement Service	Service fees from procurement operations	To cover financial requirements of the Service as authorized by the Procurement Policy Board	35,000,000
EDUCATION, CULTURE AND SPORTS			
National Historical Institute	Proceeds from the sale of souvenirs, replicas, historical objects, and publications	To defray expenses for the printing of publications and reproduction of museum souvenirs and historical objects	500,000
National Museum	Proceeds from the sale of museum souvenirs, relics or publications	To defray expenses for fabrication and reproduction of museum souvenirs, relics and printing of publications and operation and maintenance of museum shop	1,000,000

STATE UNIVERSITIES AND COLLEGES

Tuition fees, school charges and other income, except those accruing to revolving funds under LOI Nos. 872 and 1026, and those authorized as trust receipts pursuant to Sec. 45, Chapter 5, Book VI of E.O. 292 upon submission of a special budget to the DBM, subject to accounting and auditing rules	Fifty percent (50%) of the income of State Universities and Colleges shall be used to augment maintenance and other operating expenses or capital outlays of which in applicable cases at least Thirty Percent (30%) shall be used for the production of rice, corn and vegetables in their areas, while the remaining Fifty Percent (50%) shall be used for teacher - student welfare and for augmentation of Personnel Services appropriation except for salaries and for creation of new positions	943,998,000
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Student welfare shall include but shall not be limited to allowances given to students who render services to the school, while teacher welfare shall include but shall not be limited to authorized allowances and other fringe benefits, training and seminar expenses

ENVIRONMENT AND NATURAL RESOURCES

National Mapping and Resource Information Authority	Proceeds from the sale of maps and charts	Reproduction of maps and charts and printing of publications	8,000,000
Mines and Geo-Science Bureau	Ten percent (10%) of royalties and revenues derived from the development and utilization of mineral resources within mineral reservations	To finance special projects and other administrative expenses related to the exploration and development of other mineral reservations	1,980,000

FINANCE

Bureau of Internal Revenue	Income derived from fines and penalties for violations related to the printing and issuance of receipts and invoices and other violations of the NIRC	To finance the BIR Tax Raffle Promo Program and to defray expenses relative to its implementation	10,000,000
	Five percent (5%) of the increase in VAT collections in 1996 over that of 1995 pursuant to Section 18 of R.A. No. 7716	For the effective implementation of R.A. No. 7716 except purchase of vehicles and construction of building and offices	50,000,000
	Increase in total revenue collection achieved during the immediately preceding year over that of the previous year provided that the approved revenue targets originally used in the formulation of the budget as proposed by the President to Congress have been attained	Productivity incentive allowance of BIR personnel as may be authorized by the President upon recommendation of the Secretary of Finance provided that this benefit shall be in lieu of incentives or similar benefits granted by law or by the President	100,000,000
	Sale of internal revenue tobacco strip stamps	Printing cost of internal revenue tobacco strip stamps	55,000,000
Bureau of Customs	Sale of forms	Printing of forms	30,000,000

Securities and Exchange Commission	Registration, filing fees	To defray additional maintenance and other operating expenses and capital outlays requirements of the Commission	100,000,000
FOREIGN AFFAIRS			
Office of the Secretary	Income from consular services	Program of assistance to distressed Filipinos abroad including support for legal assistance and their repatriation to the Philippines and other related consular services	75,000,000
	Income from passports	To cover the cost of printing passport booklets	126,000,000
HEALTH			
Office of the Secretary	Actual income of hospitals retained in the DOH	To fund deficiencies in maintenance and other operating expenses and capital outlays	300,000,000
	Sale of products of herbal processing plants	To cover the expenses in operation of such herbal processing plants and marketing of their products	25,000,000
Nutrition Service	Income generated from the operation of the Sangkap Pinoy Seal Program	To augment the operating requirements of the program	2,000,000
Research Institute for Tropical Medicine	Royalties and other related fees or income from the use and sale of research products and other scientific technologies	Research activities	2,000,000
Bureau of Food and Drugs	Registration of products and licensing of establishments and other related fees or income	For quality and safety assurance of food, drugs, devices and cosmetics	15,000,000
INTERIOR AND LOCAL GOVERNMENT			
Local Government Academy	Income from training	To augment funds for training and the repair and maintenance of training facilities	300,000
Bureau of Fire Protection	Income from the enforcement of the Fire Code of the Philippines	To augment funds for the procurement of firefighting equipment, rescue and paramedic facilities	85,000,000
JUSTICE			
Bureau of Immigration	Immigration fees	Computerization project	30,000,000
National Bureau of Investigation	Income from the issuance of NBI clearance certificates	To augment operating and maintenance expenses including the payment of overtime pay, valid unbooked obligations, acquisition of computers and other equipment	40,000,000
Land Registration Authority	Income from registration fees	To defray additional operational requirements and capital outlays of the Authority	100,000,000

LABOR AND EMPLOYMENT

Office of the Secretary	Payments collected for the PRESEED Program	For relending to qualified beneficiaries	50,000,000
	Payments collected from the Worker's Organization and Development (WOD) programs	For relending to qualified beneficiaries	50,000,000
	Payments collected from the Organization of Working Youth and Leadership Productivity Formation Program	For relending to qualified beneficiaries	5,000,000
	Payments collected from the lending program for placed OCWs	For relending to qualified beneficiaries	15,000,000
National Conciliation and Mediation Board	Registration fees for collective bargaining agreements pursuant to R.A. No. 6715	For the efficient and effective administration of the Voluntary Arbitration Program	800,000
National Maritime Polytechnic	Tuition fees, school charges and sources imposed by the Governing Board	To augment funds for the upgrading, maintenance and operation of laboratories and laboratory equipment for maritime training	5,570,000
Philippine Overseas Employment Administration	Processing fees, charges, fines and penalties	For operating and maintenance expenses including the purchase of equipment needed for the intensification of the campaign against illegal recruitment, entrapment and for worker's protection and welfare	10,000,000
	Collections derived from the issuance of Artist Record Book and the Conduct of Pre-Departure Showcase Preview	To cover the cost of printing, production materials and equipment and other miscellaneous expenses related thereto	4,000,000
Technical Education and Skills Development Authority	Products, services, fees and charges	To augment operating and maintenance expenses	10,000,000
NATIONAL DEFENSE			
AFP Medical Center	Hospital fees	To augment maintenance and other operating expenses and capital outlays	10,000,000
Veterans Memorial Medical Center	Fees and charges paid by civilian pay patients, golf operations, disposed unserviceable VMNC properties and other miscellaneous income	To augment maintenance and other operating expenses and capital outlays	10,000,000
SCIENCE AND TECHNOLOGY			
Office of the Secretary, Attached agencies, regional offices including Autonomous Region in Muslim Mindanao	Sale of developed technologies, fabricated equipment and publications	To defray expenses for the fabrication of equipment, printing of publication, maintenance and upgrading of equipment, testing and calibration of facilities	20,000,000

SOCIAL WELFARE AND DEVELOPMENT

Inter-Country Adoption Board	Fees, charges and assessment	To process applications for Inter-country adoption and to support the activities of the Inter-Country Adoption Board	5,000,000
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TOURISM

National Parks Development Committee	Entrance fees, concession rentals and donations	Greening of parks, development and rehabilitation of park facilities and structures, acquisition of tools and equipment for regular operations, payment of overtime services for maintenance works and to augment the operating budget for maintenance and other operating requirements of parks	20,000,000
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TRANSPORTATION AND COMMUNICATIONS

Maritime Industry Authority	Fees, charges, fines and penalties	To defray any deficiency in annual appropriations and finance authorized projects	10,000,000
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License fees and other income arising from the implementation of E.O. 125 and 125-A	Operating requirements, including capital outlays, for the implementation of E.O. 125 and 125-A	80,000,000
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National Telecommunications Commission	Fines, penalties and surcharges	To strengthen regulatory, supervisory and enforcement functions; for maintenance, operations and inspection of telecommunications and broadcast facilities, for technical, economic legal research and study in the use of Radio Frequency Spectrum, travelling expenses and allowances of examiners and watchers in conducting radio operators examinations and for payment of any additional expenses for supplies and materials	5,000,000
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Various fees including receivables from various telecommunications carriers	For the procurement of fixed and vehicle mounted mobile radio monitoring equipment, including support vehicles and other equipment facilities, augmentation of operating budget for maintenance and other operating expenses, including local copunterpart funds.	200,000,000
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OTHER EXECUTIVE OFFICES

Movie and Television Review and Classification Board	Fees, surcharges and fines	For purchase, repair and maintenance of equipment for reviewing, cutting and monitoring films; monitoring of theaters; and organizing local regulatory councils	10,000,000
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Palawan Council for Sustainable Development	Income derived from gate collections of the facilities, operations or management of the different protected areas under the Strategic Environmental Plan (SEP)	To finance projects under the SEP	300,000
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Philippine Racing Commission	Receipts from sale of betting tickets	To defray additional operational and capital requirements of the Commission	10,000,000
Professional Regulations Commission	Income from examination, registration, annual registration fees and other services	Computerization project and for maintenance and other operating expenses including overtime pay and equipment outlay including the purchase of motor vehicles	40,000,000
Videogram Regulatory Board	Fees, surcharges and fines	To defray operational expenses of the Board	5,000,000
THE JUDICIARY			
Supreme Court of the Philippines and the Lower Courts	Docket fees and other legal fees	To augment the maintenance and other operating expenses of the Supreme Court and the Lower Courts	5,000,000
CONSTITUTIONAL OFFICES			
Commission on Audit	Sources authorized by the Government Auditing Code of the Philippines	To augment maintenance and other operating expenses to enhance audit services and audit-related activities	10,000,000
OTHER GOVERNMENT AGENCIES			
	Shares under R.A. Nos. 6631 and 6632; Insurance proceeds; proceeds from auction sales and net proceeds from the liquidation of assets of defunct agencies/GOCCs under E.O. 372	Purposes authorized by law	Based on actual collections

GENERAL SUMMARY
UNPROGRAMMED FUND

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Unprogrammed Fund	P 825,000,000	P 7,268,126,000	P11,962,417,000	P20,055,543,000
Total New Appropriations, Unprogrammed Fund	P 825,000,000	P 7,268,126,000	P11,962,417,000	P20,055,543,000