

K. BSGC - OTHERS

New Appropriations, by Purpose

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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
TOTAL NEW APPROPRIATIONS		P 28,606,000		P 28,606,000
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Special Provision(s)

1. **Budgetary Support to Government Corporations.** Income and revenues collected by GOCCs from all sources shall be used to cover all its operating requirements. Any deficiency may be augmented by the budgetary support from the National Government, which may either be:

- (a) Subsidy, which shall be used in accordance with the purposes identified: PROVIDED, That unless otherwise stated in the special provisions, subsidy releases may be used for the payment of separation or retirement benefits and incentives resulting from an approved reorganization, merger, streamlining, abolition or privatization plan under R.A. No. 10149, other laws and issuances only by GOCCs which are financially unable to pay said benefits and/or incentives.
- (b) Equity, which shall be used as capital investment of the National Government in accordance with the capitalization requirement under pertinent laws. In no case shall equity investments be used for the payment of salaries, allowances, incentives, and retirement and separation benefits, except in cases authorized by the DBM.

2. **Offsets Against Budgetary Support to Government Corporations.** The appropriations authorized herein may be offset by the NTR against the: (i) corporate payments of cash dividends under R.A. No. 7656; (ii) guarantee fees; (iii) advances for loans lent to corporations; (iv) obligations which are guaranteed by the National Government; and (v) 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, but not limited to, interest in cash deposits, 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. **Payment of Compensation and Benefits.** Payment of basic salaries, allowances, benefits and incentives by GOCCs shall be made in accordance with applicable provisions of laws, rules and regulations such as, but not limited to, P.D. No. 985, as amended, R.A. No. 6758, as amended, R.A. No. 10149, as amended, Memorandum Order No. 20, s. 2001 and Corporate Compensation Circular No. 10 dated February 15, 1999. In addition, payment of separation or retirement benefits shall be computed in accordance with the rates, conditions and procedure prescribed under existing separation or retirement laws, and such pertinent guidelines issued thereon.

4. **Submission of Corporate Operating Budgets and Other Related Financial Statements.** All GOCCs, including GFIs, whether or not receiving budgetary support from NG, shall prepare their FY 2018 Corporate Operating Budgets (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 Section 10, Chapter 4, Title XVII, Book IV of E.O. No. 292, s. 1987. The NEA, NPC and PNOC shall be governed further by the provisions of R.A. No. 7638.

5. **Implementation of Infrastructure Projects.** The respective heads of GOCCs shall comply with the restrictions on critical geo-hazard areas or no build zones identified by the Mines and Geo-Sciences Bureau and such other conditions provided under Section 26 of the General Provisions in this Act.

In the case of housing projects, the shelter agencies shall likewise adopt and promote the use of new and innovative housing technologies and materials to bring down the cost of housing and reduce any adverse impact of construction on the environment.

6. **Fund Releases.** Funds appropriated herein shall be under the administration of the DBM and released directly to the recipient GOCCs through the BTR, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292. All requests for fund release either as subsidy or equity investment to GOCCs shall be included in the GOCCs' COB duly approved by their respective governing boards.

7. **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.

8. **Transparency Seal.** To enhance transparency and enforce accountability, all GOCCs shall maintain a Transparency Seal to be posted on their websites. The Transparency Seal shall contain the following: (i) corporation's mandates and functions, names of its officials with their position and designation, and its contact information; (ii) approved COB and corresponding targets including any amount of budgetary support from the National Government; (iii) realignments made pursuant to the special provisions in this Act; (iv) annual procurement plan/s and contracts awarded with the winning supplier, contractor or consultant; (v) major programs and projects categorized in accordance with the five key results areas under E.O. No. 43, s. 2011 and their target beneficiaries; (vi) status of implementation, evaluation and/or assessment reports of said programs or projects; (vii) Budget and Financial Accountability Reports, pursuant to COA and DBM J.C. No. 2014-1 dated July 1, 2014; and (viii) year-end financial reports and trial balances for the last three (3) fiscal years.

The respective heads of GOCCs and their web administrators or equivalent shall be responsible for ensuring compliance with this requirement.

The DBM shall post on its website the status of compliance of GOCCs.

9. **Tourism Promotion Fund.** The amount of One Billion Six Hundred Ninety Three Million Four Hundred Fifty Thousand Pesos (P1,693,450,000) shall be used for tourism promotions and marketing activities by the Tourism Promotions Board (TPB) sourced from the following and constituted into the Tourism Promotions Fund in accordance with Section 55 of R.A. No. 9593.

- (a) At least twenty-five percent (25%) of the National Government share from PAGCOR; and
- (b) At least twenty-five percent (25%) of the National Government share from international airports and seaports.

Release of funds shall be subject to submission of Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The TPB shall submit its quarterly reports on the financial and physical accomplishment with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the

House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on TPB website for a period of three (3) years. The Chief Operating Officer of TPB shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

10. Tobacco Fund. The amount of Three Hundred Forty Five Million Five Hundred Thirty Thousand Pesos (P345,530,000) shall be used by the National Tobacco Administration (NTA) for its operating requirements sourced from the proceeds of fifty percent (50%) of the tariff or taxes of imported leaf tobacco and fifty percent (50%) of the special taxes on locally manufactured Virginia type cigarettes, constituted into the Tobacco Fund in accordance with Section 5 of R.A. No. 4155.

Release of funds shall be subject to submission of Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The NTA shall submit its quarterly reports on the financial and physical accomplishment with electronic signature to the DDM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on NTA website for a period of three (3) years. The Administrator of the NTA shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

11. Availability of Subsidy to GOCCs. All GOCCs receiving subsidy from the National Government shall utilize the funds released to them for the purpose/s specified until December 31, 2019. Any unexpended balance therefrom shall revert to the unappropriated surplus of the General Fund in accordance with Section 28, Chapter 4, Book VI of E.O. 292.

The respective heads of GOCCs shall submit its reports on the utilization of funds with electronic signature to the DDM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on their website for a period of three (3) years. The respective heads of GOCCs shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission. (CONDITIONAL IMPLEMENTATION- President's Veto Message, December 19, 2017, Volume I-B, page 648, R.A. No. 10964)

New Appropriations, by Purpose

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	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
BSGC - Others				
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	28,606,000		P 28,606,000
Sub-Total, BSGC-Others		28,606,000		28,606,000
TOTAL NEW APPROPRIATIONS	P	28,606,000		P 28,606,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy	P	28,606
Total Maintenance and Other Operating Expenses		28,606
TOTAL NEW APPROPRIATIONS	P	28,606

GENERAL APPROPRIATIONS ACT, FY 2018

GENERAL SUMMARY

BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

A. DEPARTMENT OF AGRICULTURE			
A.1. National Dairy Authority	P	520,213,000	P 520,213,000
A.2. Philippine Crop Insurance Corporation		3,500,000,000	3,500,000,000
A.3. Philippine Fisheries Development Authority		397,800,000	397,800,000
A.4. Philippine Rice Research Institute		778,359,000	778,359,000
A.5. Philippine Sugar Corporations		272,794,000	272,794,000
A.6. Sugar Regulatory Administration		1,000,000,000	1,000,000,000
Sub Total, DEPARTMENT OF AGRICULTURE		6,469,166,000	6,469,166,000
B. DEPARTMENT OF ENERGY			
B.1. National Electrification Administration		2,036,939,000	2,036,939,000
B.2. National Power Corporation		2,080,702,000	2,080,702,000
Sub Total, DEPARTMENT OF ENERGY		4,117,641,000	4,117,641,000
C. DEPARTMENT OF FINANCE			
C.1. Development Bank of the Philippines		1,133,840,000	2,000,000,000 3,133,840,000
C.2. Land Bank of the Philippines		25,621,707,000	25,621,707,000
Sub Total, DEPARTMENT OF FINANCE		26,755,547,000	2,000,000,000 28,755,547,000
D. DEPARTMENT OF HEALTH			
D.1. Lung Center of the Philippines		408,653,000	408,653,000
D.2. National Kidney and Transplant Institute		804,554,000	804,554,000
D.3. Philippine Children's Medical Center		938,585,000	938,585,000
D.4. Philippine Health Insurance Corporation		60,627,542,000	60,627,542,000
D.5. Philippine Heart Center		885,600,000	885,600,000
D.6. Philippine Institute of Traditional and Alternative Health Care		126,433,000	126,433,000
Sub Total, DEPARTMENT OF HEALTH		63,791,367,000	63,791,367,000
E. DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS			
E.1. Local Water Utilities Administration		220,000,000	220,000,000
Sub Total, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS		220,000,000	220,000,000
F. DEPARTMENT OF TOURISM			
F.1. Tourism Infrastructure and Enterprise Zone Authority		169,000,000	169,000,000
Sub Total, DEPARTMENT OF TOURISM		169,000,000	169,000,000
G. DEPARTMENT OF TRADE AND INDUSTRY			
G.1. Aurora Pacific Economic Zone and Freeport Authority		59,513,000	59,513,000
G.2. Center for International Trade Expositions and Missions		231,876,000	231,876,000
G.3. Philippine Economic Zone Authority		2,154,287,000	2,154,287,000
G.4. Small Business Corporation		1,000,000,000	1,000,000,000

Sub Total, DEPARTMENT OF TRADE AND INDUSTRY	3,445,676,000		3,445,676,000
H. DEPARTMENT OF TRANSPORTATION			
H.1. Light Rail Transit Authority	1,108,672,000		1,108,672,000
H.2. Philippine National Railways	3,515,000,000		3,515,000,000
Sub Total, DEPARTMENT OF TRANSPORTATION	4,623,672,000		4,623,672,000
I. NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY			
I.1. Philippine Institute for Development Studies	131,811,000		131,811,000
Sub Total, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY	131,811,000		131,811,000
J. PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE			
J.1. People's Television Network, Inc.	76,097,000		76,097,000
Sub Total, PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE	76,097,000		76,097,000
K. OTHER EXECUTIVE OFFICES			
K.1. Authority of the Freeport Area of Bataan		184,200,000	184,200,000
K.2. Bases Conversion and Development Authority	362,900,000	6,505,500,000	6,868,400,000
K.3. Credit Information Corporation	53,915,000		53,915,000
K.4. Cultural Center of the Philippines	809,089,000		809,089,000
K.5. Development Academy of the Philippines	638,712,000		638,712,000
K.6. Home Guaranty Corporation		500,000,000	500,000,000
K.7. National Food Authority	7,000,000,000		7,000,000,000
K.8. National Home Mortgage Finance Corporation	500,000,000		500,000,000
K.9. National Housing Authority	3,257,426,000		3,257,426,000
K.10. National Irrigation Administration	41,669,162,000		41,669,162,000
K.11. Philippine Center for Economic Development	35,925,000		35,925,000
K.12. Philippine Coconut Authority	1,471,466,000		1,471,466,000
K.13. Philippine Postal Corporation	585,642,000		585,642,000
K.14. Social Housing Finance Corporation	800,000,000		800,000,000
K.15. Southern Philippines Development Authority	47,993,000		47,993,000
K.16. Subic Bay Metropolitan Authority	2,078,614,000		2,078,614,000
K.17. Zamboanga City Special Economic Zone Authority	50,081,000	389,000,000	439,081,000
Sub Total, OTHER EXECUTIVE OFFICES	59,360,925,000	7,578,700,000	66,939,625,000
L. BSGC - OTHERS	28,606,000		28,606,000
TOTAL NEW APPROPRIATIONS, BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS	P169,189,508,000	P 9,578,700,000	P178,768,208,000