

XLII. UNPROGRAMMED APPROPRIATIONS

For fund requirements in accordance with the purposes indicated hereunder.....P 75,340,000,000
 =====

New Appropriations, by Purpose
 =====

Current Operating Expenditures

Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
-----------------------	---	--------------------	-------

TOTAL NEW APPROPRIATIONS	P44,920,114,000	P 30,419,886,000	P 75,340,000,000
	=====	=====	=====

Special Provision(s)

1. Availment of the Unprogrammed Appropriations. The amounts authorized herein for Purpose Nos. 1 - 12 may be used when there are:

- (a) 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;
- (b) New revenue collections or those arising from new tax or 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
- (c) Approved loans for foreign-assisted projects.

Release of funds 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 the following: (i) for excess revenue collections, issuance of a certification that remitted collections to the BTr from a particular revenue source has exceeded its corresponding revenue collections target; or (ii) for new revenue collections, issuance of a certification that remitted collections identified were not part of, nor included in, the original revenue collection targets reflected.

In the case of approved loans, issuance of SARO covering the loan proceeds shall be subject to submission by the agency concerned of request together with work and financial plan, project profile, and a copy of the perfected loan agreement.

2. General Fund Adjustments for Use of Excess Income by Agencies. Agencies authorized to collect fees or charges and has generated income in excess of its total revenue collections target as reflected in Table C.4 of the BESF may use the excess income chargeable against Purpose No. 6 to augment their current appropriations. In no case shall said income be used to fund Personnel Services appropriations, including payment of discretionary and representation expenses.

Release from excess income shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292 and the issuance of a certification by the BTr that remitted agency collections has exceeded its total revenue collections target.

3. Armed Forces of the Philippines Modernization Program. The amount of Five Billion Pesos (P5,000,000,000) chargeable against Purpose No. 2 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 for the AFP Modernization Program shall be subject to Special Provision No. 1 hereof and submission by the DND to DBM of the recommendation by the appropriate bids and awards committee for the award of contracts for the modernization projects.

4. Mangon Marawi Fund. The amount of Five Billion Pesos (P5,000,000,000) appropriated herein shall be exclusively used to augment the projects, activities, and programs of the concerned agencies for the rehabilitation of Marawi.

5. Risk Management Program. The amount of Twenty Three Billion Four Hundred Million Pesos (P23,400,000,000) chargeable against Purpose No. 5 shall be used for the government's Risk Management Program to cover commitments made by, and obligations of, the National Government in the agreements covering Public-Private Partnership (PPP) projects, subject to the following:

(a) Approval of the PPP project by the NEDA Board or the Investment Coordination Committee, in accordance with R.A. No. 6957, as amended by R.A. No. 7718. In case of obligations assumed by GOCCs, issuance or execution of a performance undertaking or other similar instrument by the agency concerned confirming that the National Government will assume said obligations in case of default by the GOCC;

(b) Approval of the use of the Unprogrammed Appropriations by the DBCC upon recommendation by the head of the agency concerned and the DBCC-Technical Working Group on Contingent Liabilities; and

(c) Compliance with the conditions for the release of the Unprogrammed Appropriations under Special Provision No. 1 hereof. Implementation of this provision shall be subject to guidelines that may be issued for the purpose.

5. General Fund Adjustment for Use of Excess Income. In addition to the amounts appropriated herein, thirty percent (30%) of the excess collections from the BTr's investment income target as reflected in Table C.4 of the BESF shall be used for the following:

a. Fifteen Million Pesos (P15,000,000) for the modernization of the BTr in the implementation of innovative risk management structure including related activities; and

b. The balance, but in no case shall exceed One Billion Three Hundred Eighty Five Million Pesos (P1,385,000,000), for the insurance coverage of government facilities against natural calamities subject to the guidelines to be issued by the DBM, DOF and GSIS.

(CONDITIONAL IMPLEMENTATION- President's Veto Message, December 19, 2017, Volume I-B, page 649, R.A. No. 10964)

6. General Fund Adjustment for Currency Fluctuations. The amount of Two Hundred Million Pesos (P200,000,000) chargeable against Purpose 8 shall cover the foreign exchange rate difference covering foreign service posts of the Department of Foreign Affairs, due to the difference in the foreign exchange rate and the assumption used in the 2018 Budget of Expenditures and Sources of Financing (BESF).

7. General Fund Adjustments for the Share of the Autonomous Region in Muslim Mindanao Pursuant to Republic Act No. 9054. The amount of Eight Hundred Million Pesos (P800,000,000) chargeable against Purpose No. 7 shall cover 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 the use of natural resources collected within the area of autonomy pursuant to Section 9, Article IX of R.A. No. 9054. Releases for the share of ARGMM shall be made when current year's actual collections exceed the amount appropriated under the ARGMM Budget and subject to the submission by the ARGMM of a certification of current year's actual collections and remittance of taxes, fees and charges.

8. Refund of the Service Development Fee for the Right to Develop the Nampedai Property in Japan. The amount of Two Hundred Ten Million Five Hundred Seventy Nine Thousand Pesos (P210,579,000) chargeable against Purpose No. 9 shall be used exclusively for the refund of the Service Development Fee on the right to develop the Nampedai Property in Tokyo, Japan to Magayama-Taisei Consortium (NTC), pursuant to the Notice of Termination dated June 11, 2009 issued by the Secretary of Finance cancelling the award to NTC on the right to develop the Nampedai property.

Release for the refund shall be subject to Special Provision No. 1 hereof, prior endorsement by the Secretary of Finance that the conditions, if any, for the refund have been complied with, and submission by the DOF of certification from the BTr that the amount corresponding to the Service Development Fee has actually been deposited with the National Treasury as income of the General Fund.

9. Prior Year's LGU Shares. The amount of Four Hundred Sixty Three Million Four Hundred Eighty One Thousand Pesos (P463,481,000) chargeable against Purpose No. 10 for prior year's LGU shares from incremental collections from VAT, and from Special Privilege Tax, shall be maintained by the BTr in an escrow account to be held in trust for said purposes and automatically released to the LGU beneficiaries only through authorized government servicing banks upon certification of actual collections by the revenue collecting agency and actual remittance to the BTr.

The Local Chief Executive and the LGU's web administrator or his/her equivalent shall be responsible for ensuring that reports on the utilization of funds are posted on the LGU website, at least on a quarterly basis.

10. Amounts under the Unprogrammed Appropriations. Modification of funds within the purpose authorized herein shall be subject to approval of the DBM. The amounts authorized herein for Support for Infrastructure Projects and Social Programs, Armed Forces of the Philippines Modernization Program, Risk Management Program and General Fund Adjustments for Use of Excess Income by Agencies may likewise be used as appropriations cover for any deficiency in the amount needed to implement the programs, activities or projects authorized herein, subject to approval of the DBM.

The DBM shall submit to the Office of the President, either in printed form or by way of electronic document, monthly reports on income and expenditure.

11. Reportorial Requirement. The DBM shall submit 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, either in printed form or by way of electronic document, quarterly reports on releases from the Unprogrammed Appropriations.

New Appropriations, by Purpose

=====

Current Operating Expenditures

PURPOSE(S)	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
1. Support for Infrastructure Projects and Social Programs	P 6,238,343,000	P 7,421,012,000	P 13,659,355,000	
2. AFP Modernization Program		5,000,000,000	5,000,000,000	
3. Budgetary Support to Government-Owned and/or -Controlled Corporations		4,000,000,000	4,000,000,000	
4. Support to Foreign-Assisted Projects	207,711,000	11,348,874,000	11,556,585,000	
5. Risk Management Program	23,400,000,000		23,400,000,000	
6. General Fund Adjustments for Use of Excess Income by Agencies	1,500,000,000	100,000,000	1,600,000,000	
7. General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054	800,000,000		800,000,000	
8. General Fund Adjustments for Forex Fluctuation	150,000,000	50,000,000	200,000,000	
9. Refund of the Service Development Fee for the Right to Develop the Nampedai Property in Tokyo, Japan	210,579,000		210,579,000	
10. Prior Year's LGU Shares	463,481,000		463,481,000	
11. Provision for Payment of Arrears of LTD-IT Service	9,450,000,000		9,450,000,000	
12. Bangon Marawi Fund	2,500,000,000	2,500,000,000	5,000,000,000	
Sub-total, Purpose(s)	44,920,114,000	30,419,886,000	75,340,000,000	
TOTAL NEW APPROPRIATIONS	P44,920,114,000	P 30,419,886,000	P 75,340,000,000	

New Appropriations, by Object of Expenditures

=====

(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy	26,363,481
Other Maintenance and Operating Expenses	
Other Maintenance and Operating Expenses	18,556,633
Total Maintenance and Other Operating Expenses	44,920,114
Total Current Operating Expenditures	44,920,114

Capital Outlays	
Investment Outlay	11,421,012
Property, Plant and Equipment Outlay	
Infrastructure Outlay	13,848,874
Machinery and Equipment Outlay	5,125,000
Furniture, Fixtures and Books Outlay	25,000

Total Capital Outlays	30,419,886

TOTAL NEW APPROPRIATIONS	75,340,000
	=====

**GENERAL SUMMARY
UNPROGRAMMED APPROPRIATIONS**

Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. UNPROGRAMMED APPROPRIATIONS	P44,920,114,000	P 30,419,886,000	P 75,340,000,000	
TOTAL NEW APPROPRIATIONS, UNPROGRAMMED APPROPRIATIONS	P44,920,114,000	P 30,419,886,000	P 75,340,000,000	