

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 in this Act: PROVIDED, That unless otherwise stated in the special provisions, subsidy releases may be used by GOCCs which are financially unable to pay 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.
- (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 BTr against the: (i) corporate payments of cash dividends under R.A. No. 7656; (ii) guarantee fees; (iii) advances for loans relent 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 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, E.O. No. 36, s. 2017, 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 National Government, shall prepare their FY 2021 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 PHOC 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 27 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. **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.

7. **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) budgetary adjustment; (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 0+10 point socioeconomic agenda 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; (viii) People's Freedom of Information (FOI) Manual signed by the head of agency, Agency Information Inventory, 2019 and 2020 FOI Summary Report, and 2019 and 2020 FOI Registry; and (ix) 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.

8. **Availability of Budgetary Support to GOCCs.** The amounts appropriated herein as budgetary support to GOCCs shall be available for release and disbursement until December 31, 2021, subject to Section 62 of the General Provisions of this Act.

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. No. 292. Said reversion shall be subject to guidelines issued by the DBM.

9. **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.

10. **Tobacco Fund.** The amount of Four Hundred Twenty Two Million One Hundred Thirty Five Thousand Pesos (P422,135,000) shall be used by the National Tobacco Administration (NTA) for its operating requirements sourced from the forty percent (40%) of the balance of the entire collection from the specific taxes on locally-manufactured Virginia-type cigarettes and tariff duties on imported leaf, tobacco after setting aside the share of the local governments in the regular internal revenue allotment and BIR in accordance with Section 5 of R.A. No. 4155, as amended by Section 3 of R.A. No. 5447.

Release of the 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.

11. **Proceeds from Exploration, Development and Exploitation of Energy Resources.** The amount of Eight Billion Pesos (P8,000,000,000) shall be used for the payment of stranded contract costs and stranded debts transferred to and assumed by the Power Sector Assets and Liabilities Management (PSALM) Corporation, including anticipated shortfalls in accordance with Section 4 of R.A. No. 11371, sourced from the proceeds of the net national government share from the Malapaya Fund under Section 8 of Presidential Decree No. 910: Provided, That no universal charge for stranded debts shall be collected for FY 2021.

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. (CONDITIONAL IMPLEMENTATION - President's Veto Message, December 28, 2020, Volume I-B, page 852, R.A. No. 11518)

12. **Tourism Promotions Fund.** The amount of One Billion Seven Hundred Forty One Million Seven Hundred Twenty Thousand Pesos (1,741,720,000) shall be used for tourism promotions and marketing activities of 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 the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

13. **Reporting and Posting Requirements.** The GOCCs shall submit quarterly reports on their financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

(a) URS or other electronic means for reports not covered by the URS until such time that all GOCCs have fully migrated to the BTMS; and

(b) GOCCs' websites.

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The GOCCs shall send written notice when said reports have been submitted or posted on their websites to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules, and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

New Appropriations, by Purpose
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PROGRAMS	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
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	28,606
Total Maintenance and Other Operating Expenses	28,606
Total Current Operating Expenditures	28,606
TOTAL NEW APPROPRIATIONS	28,606

GENERAL SUMMARY

BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

A. DEPARTMENT OF AGRICULTURE

A.1. National Dairy Authority	P	333,908,000	P	333,908,000
A.2. National Food Authority		7,000,000,000		7,000,000,000
A.3. Philippine Coconut Authority		1,257,018,000		1,257,018,000
A.4. Philippine Crop Insurance Corporation		3,500,000,000		3,500,000,000
A.5. Philippine Fisheries Development Authority		5,168,975,000		5,168,975,000
A.6. Philippine Rice Research Institute		621,796,000		621,796,000
A.7. Sugar Regulatory Administration		712,260,000		712,260,000

Sub-Total, DEPARTMENT OF AGRICULTURE

18,593,957,000	18,593,957,000
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B. DEPARTMENT OF ENERGY

B.1. National Electrification Administration		2,497,500,000		2,497,500,000
B.2. National Power Corporation		1,036,206,000		1,036,206,000

Sub-Total, DEPARTMENT OF ENERGY

3,533,706,000	3,533,706,000
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C. DEPARTMENT OF FINANCE

C.1. Philippine Tax Academy		112,140,000		112,140,000
C.2. Philippine Guarantee Corporation			250,000,000	250,000,000

Sub-Total, DEPARTMENT OF FINANCE

112,140,000	250,000,000	362,140,000
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D. DEPARTMENT OF HEALTH

D.1. Lung Center of the Philippines		504,997,000		504,997,000
D.2. National Kidney and Transplant Institute		1,280,442,000		1,280,442,000
D.3. Philippine Children's Medical Center		1,933,685,000		1,933,685,000
D.4. Philippine Health Insurance Corporation		71,353,360,000		71,353,360,000
D.5. Philippine Heart Center		1,795,827,000		1,795,827,000
D.6. Philippine Institute of Traditional and Alternative Health Care		144,493,000		144,493,000

Sub-Total, DEPARTMENT OF HEALTH

77,012,804,000	77,012,804,000
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E. DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT

E.1. National Home Mortgage Finance Corporation		500,000,000		500,000,000
E.2. National Housing Authority		3,456,000,000		3,456,000,000
E.3. Social Housing Finance Corporation		369,203,000		369,203,000

Sub-Total, DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT

4,325,203,000	4,325,203,000
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F. DEPARTMENT OF NATIONAL DEFENSE

E.1. Philippine Aerospace Development Corporation		20,000,000		20,000,000
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Sub-Total, DEPARTMENT OF NATIONAL DEFENSE

20,000,000	20,000,000
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G. DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

G.1. Local Water Utilities Administration		1,006,550,000		1,006,550,000
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Sub-Total, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

1,006,550,000	1,006,550,000
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H. DEPARTMENT OF TOURISM			
H.I. Tourism Infrastructure and Enterprise Zone Authority			
		27,000,000	27,000,000
Sub-Total, DEPARTMENT OF TOURISM			
		27,000,000	27,000,000
I. DEPARTMENT OF TRADE AND INDUSTRY			
I.1. Aurora Pacific Economic Zone and Freeport Authority			
	50,026,000	118,695,000	168,721,000
I.2. Center for International Trade Expositions and Missions			
	141,885,000		141,885,000
I.3. Small Business Corporation			
	1,000,000,000		1,000,000,000
Sub-Total, DEPARTMENT OF TRADE AND INDUSTRY			
	1,191,911,000	118,695,000	1,310,606,000
J. DEPARTMENT OF TRANSPORTATION			
J.1. Civil Aviation Authority of the Philippines			
	1,533,190,000		1,533,190,000
J.2. Light Rail Transit Authority			
	1,018,152,000		1,018,152,000
J.3. Philippine National Railways			
	1,233,000,000		1,233,000,000
Sub-Total, DEPARTMENT OF TRANSPORTATION			
	3,784,342,000		3,784,342,000
K. NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY			
K.1. Philippine Institute for Development Studies			
	189,305,000		189,305,000
Sub-Total, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY			
	189,305,000		189,305,000
L. PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE			
L.1. Intercontinental Broadcasting Corporation Corporation			
	129,989,000		129,989,000
L.2. People's Television Network, Inc.			
	104,944,000		104,944,000
Sub-Total, PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE			
	234,933,000		234,933,000
M. OTHER EXECUTIVE OFFICES			
M.1. Authority of the Freeport Area of Bataan			
		237,890,000	237,890,000
M.2. Bases Conversion and Development Authority			
	2,609,831,000		2,609,831,000
M.3. Cagayan Economic Zone Authority			
		228,844,000	228,844,000
M.4. Credit Information Corporation			
	76,790,000		76,790,000
M.5. Cultural Center of the Philippines			
	399,798,000		399,798,000
M.6. Development Academy of the Philippines			
	483,714,000		483,714,000
M.7. National Irrigation Administration			
	31,658,839,000		31,658,839,000
M.8. Philippine Center for Economic Development			
	57,366,000		57,366,000
M.9. Philippine Postal Corporation			
	540,256,000		540,256,000
M.10. Southern Philippines Development Authority			
	76,000,000		76,000,000
M.11. Subic Bay Metropolitan Authority			
	1,091,668,000		1,091,668,000

M.12. Zamboanga City Special Economic Zone Authority	45,061,000	253,389,000	298,450,000
Sub Total, OTHER EXECUTIVE OFFICES	37,039,323,000	720,123,000	37,759,446,000
L. BSGC - OTHERS	28,606,000		28,606,000
TOTAL NEW APPROPRIATIONS, BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS	P147,099,780,000	P 1,088,818,000	P148,188,598,000
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