

L. BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS - OTHERS

L.1. BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS - OTHERS

**SECTION 1 : EXPENDITURE PROGRAM
(in pesos)**

No. / Code	PURPOSE	2014 Actual	2015 Current	2016 Proposed
TOTAL NEW APPROPRIATIONS		<hr/>	28,606,000	28,606,000
	MOOE		28,606,000	28,606,000

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):		28,606,000		28,606,000
Nationwide		28,606,000		28,606,000
TOTAL AGENCY BUDGET		28,606,000		28,606,000

Special Provisions Applicable to All GOCCs

1. Budget Priorities Framework. The amounts appropriated herein as budgetary support to government corporations in pursuance of agriculture development, housing and resettlement services, manufacturing resurgence, social protection, tourism development, transport sector development and universal health care program shall be utilized by the recipient GOCCs in accordance with the Budget Priorities Framework under National Budget Memorandum No. 124 dated March 30, 2015 in order to sustain rapid growth and inclusive development subject to budgeting laws, rules and regulations.
2. 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 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.

3. 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 relented 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.

4. Payment of Compensation and Benefits. Payment of salaries, allowances and other benefits 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, Corporate Compensation Circular No. 10 dated February 15, 1999 and Memorandum Order No. 20, s. 2001. 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 guidelines issued thereon.
5. Submission of Corporate Operating Budgets and Other Related Financial Statements. All GOCCs, including GFIs, shall prepare their FY 2016 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.
6. 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 23 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.

7. Tobacco Fund. The amount of Six Hundred Thirty Six Million Five Hundred Thousand Pesos (P636,500,000) appropriated herein shall be used by the National Tobacco Administration (NTA) for MOOE and Capital Outlay 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 the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The NTA shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Administrator of the NTA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the NTA website.

8. 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.
9. 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.
10. 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.

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
New General Appropriations		28,606	28,606
General Fund		28,606	28,606
TOTAL OBLIGATIONS		28,606	28,606
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New Appropriations, by Purpose

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
000009010000000 BSGC - Others				
108009018500000 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		28,606,000		28,606,000
Sub-total,		28,606,000		28,606,000
TOTAL NEW APPROPRIATIONS		P 28,606,000		P 28,606,000
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Obligations, by Object of Expenditures

CYs 2014-2016
(In Thousand Pesos)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy		28,606	28,606
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES		28,606	28,606
GRAND TOTAL		28,606	28,606

XXXV. BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

GENERAL SUMMARY
BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. DEPARTMENT OF AGRICULTURE (DA)				
A.1. NATIONAL DAIRY AUTHORITY		P 170,472,000		P 170,472,000
A.2. PHILIPPINE CROP INSURANCE CORPORATION		1,600,000,000		1,600,000,000
A.3. PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY		288,627,000		288,627,000
A.4. PHILIPPINE RICE RESEARCH INSTITUTE		518,000,000		518,000,000
A.5. SUGAR REGULATORY ADMINISTRATION		<u>1,798,305,000</u>		<u>1,798,305,000</u>
Sub Total, DEPARTMENT OF AGRICULTURE (DA)		<u>4,375,404,000</u>		<u>4,375,404,000</u>
B. DEPARTMENT OF ENERGY (DOE)				
B.1. NATIONAL ELECTRIFICATION ADMINISTRATION		3,494,600,000		3,494,600,000
B.2. NATIONAL POWER CORPORATION		<u>2,063,341,000</u>		<u>2,063,341,000</u>
Sub Total, DEPARTMENT OF ENERGY (DOE)		<u>5,557,941,000</u>		<u>5,557,941,000</u>
C. DEPARTMENT OF FINANCE (DOF)				
C.1. DEVELOPMENT BANK OF THE PHILIPPINES			10,000,000,000	10,000,000,000
C.2. LAND BANK OF THE PHILIPPINES			<u>20,000,000,000</u>	<u>20,000,000,000</u>
Sub Total, DEPARTMENT OF FINANCE (DOF)			<u>30,000,000,000</u>	<u>30,000,000,000</u>
D. DEPARTMENT OF HEALTH (DOH)				
D.1. LUNG CENTER OF THE PHILIPPINES		192,144,000		192,144,000
D.2. NATIONAL KIDNEY AND TRANSPLANT INSTITUTE		552,071,000		552,071,000
D.3. PHILIPPINE CHILDREN'S MEDICAL CENTER		919,323,000		919,323,000
D.4. PHILIPPINE HEART CENTER		616,147,000		616,147,000
D.5. PHILIPPINE INSTITUTE OF TRADITIONAL AND ALTERNATIVE HEALTH CARE		<u>55,646,000</u>		<u>55,646,000</u>
Sub Total, DEPARTMENT OF HEALTH (DOH)		<u>2,335,331,000</u>		<u>2,335,331,000</u>
E. DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)				
E.1. LOCAL WATER UTILITIES ADMINISTRATION		<u>1,394,547,000</u>		<u>1,394,547,000</u>
Sub Total, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH)		<u>1,394,547,000</u>		<u>1,394,547,000</u>
F. DEPARTMENT OF TOURISM (DOT)				
F.1. TOURISM PROMOTIONS BOARD		<u>500,000,000</u>		<u>500,000,000</u>
Sub Total, DEPARTMENT OF TOURISM (DOT)		<u>500,000,000</u>		<u>500,000,000</u>
G. DEPARTMENT OF TRADE AND INDUSTRY (DTI)				
G.1. AURORA PACIFIC ECONOMIC ZONE AND FREEPORT AUTHORITY		58,851,000		58,851,000
G.2. CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS		195,000,000		195,000,000
G.3. PHILIPPINE ECONOMIC ZONE AUTHORITY		<u>2,105,959,000</u>		<u>2,105,959,000</u>
Sub Total, DEPARTMENT OF TRADE AND INDUSTRY (DTI)		<u>2,359,810,000</u>		<u>2,359,810,000</u>

H. DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS (DOTC)

H.1. LIGHT RAIL TRANSIT AUTHORITY	1,422,764,000		1,422,764,000
H.2. PHILIPPINE NATIONAL RAILWAYS	1,320,122,000		1,320,122,000

Sub Total, DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS (DOTC)	<u>2,742,886,000</u>		<u>2,742,886,000</u>
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I. NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA)

I.1. PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES	<u>73,672,000</u>		<u>73,672,000</u>
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Sub Total, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA)	<u>73,672,000</u>		<u>73,672,000</u>
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J. PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE (PCOO)

J.1. PEOPLE'S TELEVISION NETWORK, INC.	<u>100,000,000</u>	<u>708,939,000</u>	<u>808,939,000</u>
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Sub Total, PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE (PCOO)	<u>100,000,000</u>	<u>708,939,000</u>	<u>808,939,000</u>
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K. OTHER EXECUTIVE OFFICES

K.1. AUTHORITY OF THE FREEPORT AREA OF BATAAN		150,000,000	150,000,000
K.2. BASES CONVERSION AND DEVELOPMENT AUTHORITY	1,454,555,000		1,454,555,000
K.3. CREDIT INFORMATION CORPORATION	69,000,000		69,000,000
K.4. CULTURAL CENTER OF THE PHILIPPINES	533,000,000		533,000,000
K.5. DEVELOPMENT ACADEMY OF THE PHILIPPINES	268,023,000		268,023,000
K.6. NATIONAL FOOD AUTHORITY	4,250,000,000		4,250,000,000
K.7. NATIONAL HOME MORTGAGE FINANCE CORPORATION	1,000,000,000		1,000,000,000
K.8. NATIONAL HOUSING AUTHORITY	30,478,220,000		30,478,220,000
K.9. NATIONAL IRRIGATION ADMINISTRATION	32,743,184,000		32,743,184,000
K.10. PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT	28,169,000		28,169,000
K.11. PHILIPPINE COCONUT AUTHORITY	1,272,887,000		1,272,887,000
K.12. PHILIPPINE POSTAL CORPORATION	501,000,000		501,000,000
K.13. SOCIAL HOUSING FINANCE CORPORATION	908,516,000		908,516,000
K.14. SOUTHERN PHILIPPINES DEVELOPMENT AUTHORITY	42,030,000		42,030,000
K.15. SUBIC BAY METROPOLITAN AUTHORITY	1,250,751,000		1,250,751,000
K.16. ZAMBOANGA CITY SPECIAL ECONOMIC ZONE AUTHORITY	<u>50,000,000</u>	<u>146,000,000</u>	<u>196,000,000</u>

Sub Total, OTHER EXECUTIVE OFFICES	<u>74,849,335,000</u>	<u>296,000,000</u>	<u>75,145,335,000</u>
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L. BSGC - OTHERS	<u>28,606,000</u>		<u>28,606,000</u>
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TOTAL NEW APPROPRIATIONS, BUDGETARY SUPPORT TO GOVERNMENT CORPORATIONS	<u>P 94,317,532,000</u>	<u>P 31,004,939,000</u>	<u>P125,322,471,000</u>
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