

H. FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES

STRATEGIC OBJECTIVES

- MANDATE : Formulate and implement policies and programs to upgrade the art and craft of filmmaking. Encourage the production of films for commercial purposes intended for public entertainment that seek to enhance the quality of life, examine the human and social conditions and contribute to the nobility and dignity of the human spirit. Maximize the country's comparative advantage as a location site for international movie and television making to generate income, promote tourism and enhance the image of the country abroad.
- VISION : A flourishing, professional and united film industry that produces and promotes high quality films which encourage social and cultural transformation and is viewed by a wider audience both locally and internationally.
- MISSION : Make Philippine Cinema the preeminent instrument for the enrichment of Filipino culture and the articulation of the Filipino identity. Make Philippine Cinema a constant stimulus to self awareness and social responsibility among all sectors of society. Reinforce and expand sustainability of Philippine Cinema as art and industry.
- KEY RESULT AREAS : Rapid inclusive and sustainable economic growth
- SECTOR OUTCOME : Cultural development
- ORGANIZATIONAL OUTCOME : 1. Local Films Quality Upgraded
2. Film Heritage Preserved and Protected

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

No./ Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	21,375,000	20,313,000	21,164,000
	PS	5,872,000	5,259,000	5,295,000
	MOOE	14,758,000	15,054,000	15,314,000
	CO	745,000		555,000
000003000000000	Operations	124,515,000	107,167,000	101,120,000
	PS	6,077,000	8,103,000	8,884,000
	MOOE	116,078,000	89,814,000	90,236,000
	CO	2,360,000	9,250,000	2,000,000
TOTAL AGENCY BUDGET		145,890,000	127,480,000	122,284,000
	PS	11,949,000	13,362,000	14,179,000
	MOOE	130,836,000	104,868,000	105,550,000
	CO	3,105,000	9,250,000	2,555,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Total Number of Authorized Positions	19	19	19
Total Number of Filled Positions	15	16	16

OPERATIONS BY MFO	PROPOSED 2016			
	PS	MOOE	CO	TOTAL
MFO 1: ADMINISTRATION OF FILM TAX INCENTIVE SYSTEM	3,602,000	2,125,000		5,727,000
MFO 2: FILM PRESERVATION SERVICES	1,193,000	6,650,000	2,000,000	9,843,000
MFO 3: FILM INDUSTRY PROMOTION AND DEVELOPMENT SERVICES	3,657,000	11,601,000		15,258,000

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

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	13,312,000	35,690,000	2,555,000	51,557,000
National Capital Region (NCR)	13,312,000	35,690,000	2,555,000	51,557,000
TOTAL AGENCY BUDGET	13,312,000	35,690,000	2,555,000	51,557,000

SECTION 3 : SPECIAL PROVISION(S)

- Income From Amusement Tax and Other Fees And Charges. In addition to the amounts appropriated herein, the following amounts shall be used for the MOOE and Capital Outlay requirements of the Film Development Council of the Philippines (FDCP):

(a) Sixty Nine Million Pesos (P69,000,000) sourced from collections of fees and charges in accordance with Section 16 (b) of R.A. No. 9167; and

(b) Eight Hundred Sixty Thousand Pesos (P860,000) sourced from amusement taxes remitted by LGUs for films graded "A" and "B": PROVIDED, That the amount of amusement tax for films graded "B" shall be allocated as follows: (i) thirty-five percent (35%) for FDCP; and (ii) sixty-five percent (65%) as incentives to the producers of graded "B" films in accordance with Sections 13 (a) (2) and 16 (a) of R.A. No. 9167:

In no case shall said amounts be used for the purchase of motor vehicles.

Likewise, the Film Fund shall be utilized by the FDCP to provide financing to Filipino producers in the form of equity investment in film production sourced from collections from amusement tax in accordance with Permanent Committee Resolution No. 01-2006 dated November 15, 2006.

Releases 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.

The FDCP 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, including the list of all recipient producers and amounts of projects funded under the Film Fund. The Executive Director of the FDCP and the Council's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the FDCP website.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

SECTION 4 : PERFORMANCE INFORMATION

KEY STRATEGIES :

- 1.Continued implementation of the Sineng Pambansa and Sine ng Masa Programs to revive interest in local films and quality film production through showing of insightful films and holding of film-related workshops to grassroots level of society.
- 2.Holding of the World Premieres Film Festival and International Film Expo to elevate the status of the Philippine film industry in the international level.
- 3.Encourage location filming and co-production ventures in the country through new avenues and networks and direct participation in international productions.
- 4.Generate awareness of the country's film industry and open doors to new learning and technology transfer by partnering with industry players in the conduct of trainings, workshops and on-the-job boot camps.
- 5.Preserve our cultural heritage in films and other audio-visual medium through the digitization of audio visual holdings and restoration of significant films.
- 6.Continued implementation of the Cinema Evaluation Program where tax rebate incentives are given to producers of graded films.

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
Local Films Quality Upgraded		
98% of total local film produced graded by the FDCP-CEB	55 films	98%
Promotion of the country as a location site for international film and TV production employment generation increase of 5% by 2016	2,000 jobs	2,500 jobs
Awards received of films co-produced increase by 50% in 2016	10 awards received	50%
Film Heritage Preserved and Protected		
20% of recoverable films shown in mainstream cinemas achieved by 2016	200 titles	20%

<u>MFO / PIs</u>	<u>2016 Targets</u>
MFO 1: ADMINISTRATION OF FILM TAX INCENTIVE SYSTEM	
Cinema Evaluation Board	
No. of applications for film rating acted upon	55
No. of reimbursement payments made.	250
% of film ratings made over the last three (3) years which are overturned on appeal.	0%
% of applications for film rating acted upon within three (3) days of receipt.	100%
% of reimbursement payments made within thirty (30) days of receipt of funds from theater/cinema proprietors.	99%
No. of inspections carried out.	12
No. of theaters and cinemas with two (2) or more detected violations over the last three (3) years as a percentage of the total number of recorded violators.	8
% of theaters and cinemas subject to one (1) or more inspections in the last twelve (12) months.	95%
MFO 2: FILM PRESERVATION SERVICES	
No. of films restored	3
No. of films managed in archives	25,000
% of persons viewing the preserved films who rate the quality of preservation as good or better	96%
% change in the stock of films requiring preservation	25%
MFO 3: FILM INDUSTRY PROMOTION AND DEVELOPMENT SERVICES	
No. of promotional events undertaken	50
% of stakeholders who rate the promotional events as good or better	90%
% of promotional events that commenced within 30 minutes of the scheduled start time	95%

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
New General Appropriations	46,931	56,824	51,557
General Fund		56,824	51,557
R.A. No. 10633	46,931		
Automatic Appropriations	98,351	70,656	70,727
Retirement and Life Insurance Premiums	833	796	867
Special Account	97,518	69,860	69,860
Budgetary Adjustment(s)	659		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	592		
Pension and Gratuity Fund	67		
Total Available Appropriations	145,941	127,480	122,284
Unused Appropriations	(51)		
Unobligated Allotment	(51)		
TOTAL OBLIGATIONS	145,890	127,480	122,284
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Proposed New Appropriations Language

For general administration and support, and operations as indicated hereunder.....P 51,557,000

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New Appropriations, by Programs/Activities/Projects

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS					
000001000000000	General Administration and Support	4,860,000	15,314,000	555,000	20,729,000
103001000100000	General Administration and Support Services	P 4,860,000	P 15,314,000	P 555,000	P 20,729,000
Sub-total, General Administration and Support		4,860,000	15,314,000	555,000	20,729,000
000003000000000	Operations	8,452,000	20,376,000	2,000,000	30,828,000
000003010000000	MFO 1: ADMINISTRATION OF FILM TAX INCENTIVE SYSTEM	3,602,000	2,125,000		5,727,000
242003010100000	Administration of tax incentive system	3,602,000	2,125,000		5,727,000
000003020000000	MFO 2: FILM PRESERVATION SERVICES	1,193,000	6,650,000	2,000,000	9,843,000
242003020100000	Film preservation	1,193,000	6,650,000	2,000,000	9,843,000
000003030000000	MFO 3: FILM INDUSTRY PROMOTION AND DEVELOPMENT SERVICES	3,657,000	11,601,000		15,258,000
242003030100000	Film industry promotion and development	3,657,000	11,601,000		15,258,000
Sub-total, Operations		8,452,000	20,376,000	2,000,000	30,828,000
TOTAL NEW APPROPRIATIONS		P 13,312,000	P 35,690,000	P 2,555,000	P 51,557,000

Obligations, by Object of Expenditures

CYs 2014-2016
(In Thousand Pesos)

	2014	2015	2016
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	6,849	6,632	7,220
Total Permanent Positions	6,849	6,632	7,220
Other Compensation Common to All			
Personnel Economic Relief Allowance	363	360	384
Representation Allowance	414	420	420
Transportation Allowance	282	420	420
Clothing and Uniform Allowance	70	75	80
Productivity Incentive Allowance	90	30	
Honoraria		2,172	2,125
Year End Bonus	522	553	602
Cash Gift	70	75	80
Step Increment		17	33
Productivity Enhancement Incentive	30		80
Performance Based Bonus	246		
Total Other Compensation Common to All	2,087	4,122	4,224

Other Compensation for Specific Groups			
Other Personnel Benefits	390		
Total Other Compensation for Specific Groups	<u>390</u>		
Other Benefits			
Retirement and Life Insurance Premiums	799	796	867
PAG-IBIG Contributions	18	18	20
PhilHealth Contributions	63	51	56
Employees Compensation Insurance Premiums	18	18	20
Terminal Leave	67		
Total Other Benefits	<u>965</u>	<u>883</u>	<u>963</u>
Non-Permanent Positions	<u>1,658</u>	<u>1,725</u>	<u>1,772</u>
TOTAL PERSONNEL SERVICES	<u>11,949</u>	<u>13,362</u>	<u>14,179</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	6,198	4,845	4,845
Training and Scholarship Expenses	488	500	500
Supplies and Materials Expenses	3,019	4,000	3,885
Utility Expenses	1,652	2,700	2,700
Communication Expenses	1,745	1,530	1,765
Awards/Rewards and Prizes	70,263	69,860	69,860
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	275	100	100
Professional Services	9,552	7,200	7,200
General Services	2,116		
Repairs and Maintenance	3,149	3,000	3,000
Financial Assistance/Subsidy	15,214		
Taxes, Insurance Premiums and Other Fees	433	654	655
Other Maintenance and Operating Expenses			
Advertising Expenses	3,842		595
Printing and Publication Expenses	411	1,300	1,300
Representation Expenses	1,273	1,499	1,500
Transportation and Delivery Expenses	316	500	500
Rent/Lease Expenses	9,631	6,580	6,545
Membership Dues and Contributions to Organizations	324	100	100
Subscription Expenses	43	300	300
Other Maintenance and Operating Expenses	892	200	200
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>130,836</u>	<u>104,868</u>	<u>105,550</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>142,785</u>	<u>118,230</u>	<u>119,729</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Buildings and Other Structures	31		2,000
Machinery and Equipment Outlay	1,125	9,250	555
Transportation Equipment Outlay	1,500		
Furniture, Fixtures and Books Outlay	306		
Other Property Plant and Equipment Outlay	143		
TOTAL CAPITAL OUTLAYS	<u>3,105</u>	<u>9,250</u>	<u>2,555</u>
GRAND TOTAL	<u>145,890</u>	<u>127,480</u>	<u>122,284</u>