

LI. UNPROGRAMMED APPROPRIATIONS

Appropriations/Obligations

(In Thousand Pesos)

Description	2016	2017	2018
New General Appropriations	25,341,094	67,500,000	75,340,000
General Fund	25,341,094	67,500,000	75,340,000
Budgetary Adjustment(s)	( 25,341,094)		
Transfer(s) to:			
Support for Infrastructure Projects and Social Programs			
Department of Transportation and Communications (DOTC)			
Office of the Secretary	( 20,475,837)		
Support to Foreign-Assisted Projects			
Department of the Interior and Local Government (DILG)			
Bureau of Fire Protection	( 1,229,624)		
General Fund Adjustments for Use of Excess Income by Agencies			
Department of Finance (DOF)			
Bureau of the Treasury	( 3,000)		
Department of Justice (DOJ)			
Office of the Secretary	( 6,345)		
Bureau of Immigration	( 61,217)		
General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054			
Autonomous Region in Muslim Mindanao (ARMM)			
Autonomous Regional Government in Muslim Mindanao	( 765,071)		
Land Bank of the Philippines - Loan Portfolio (Priority and Other Priority Budgetary Support to Government Corporations)			
Land Bank of the Philippines	( 2,800,000)		
Total Available Appropriations		67,500,000	75,340,000
Unused Appropriations		( 67,500,000)	( 75,340,000)
Unreleased Appropriation		( 67,500,000)	( 75,340,000)
TOTAL OBLIGATIONS			

EXPENDITURE PROGRAM  
(in pesos)

PURPOSE	2016 Actual	2017 Current	2018 Proposed
TOTAL NEW APPROPRIATIONS	67,500,000,000	67,500,000,000	75,340,000,000
PS	1,323,000,000		
MOOE	22,161,551,000	40,442,910,000	40,382,614,000
CO	44,015,449,000	27,057,090,000	34,957,386,000

## Proposed New Appropriations Language

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

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## SPECIAL PROVISION(S)

1. Availment of the Unprogrammed Appropriations. The amounts authorized herein for Purpose Nos. 1-9 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. Risk Management Program. The amount of Thirty Billion Pesos (P30,000,000,000) 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 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 ARMM 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.

6. Refund of the Service Development Fee for the Right to Develop the Nampeidai Property in Japan. The amount of Two Hundred Ten Million Five Hundred Seventy Nine Thousand Pesos (P210,579,000) chargeable against Purpose No. 8 shall be used exclusively for the refund of the Service Development Fee on the right to develop the Nampeidai Property in Tokyo, Japan to Nagayama-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 Nampeidai 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.

7. 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. 9 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.

8. 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.

9. 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

PURPOSE(S)	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
Support for Infrastructure Projects and Social Programs	P 8,600,843,000	P 10,256,012,000	P 18,856,855,000	
AFP Modernization Program		5,000,000,000	5,000,000,000	
Budgetary Support to Government-Owned and/or - Controlled Corporations		4,000,000,000	4,000,000,000	
Support to Foreign-Assisted Projects	207,711,000	15,601,374,000	15,809,085,000	
Risk Management Program	30,000,000,000		30,000,000,000	
General Fund Adjustments for Use of Excess Income by Agencies	100,000,000	100,000,000	200,000,000	
General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054	800,000,000		800,000,000	
Refund of the Service Development Fee for the Right to develop the Nampeidai Property in Tokyo, Japan	210,579,000		210,579,000	
Prior Year's LGU Shares	463,481,000		463,481,000	
Sub-total, Purpose(s)	40,382,614,000	34,957,386,000	75,340,000,000	
TOTAL NEW APPROPRIATIONS	P 40,382,614,000	P 34,957,386,000	P 75,340,000,000	

Obligations, by Object of ExpendituresCYs 2016-2018  
(In Thousand Pesos)

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Current Operating Expenditures			
Personnel Services			
Military/Uniformed Personnel			
Other Personnel Benefits Pension, Veterans	1,323,000		
Total Other Personnel Benefits	<u>1,323,000</u>		
TOTAL PERSONNEL SERVICES	<u>1,323,000</u>		
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	10,000,000	30,000,000	30,463,481
Other Maintenance and Operating Expenses			
Other Maintenance and Operating Expenses	12,161,551	10,442,910	9,919,133
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>22,161,551</u>	<u>40,442,910</u>	<u>40,382,614</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>23,484,551</u>	<u>40,442,910</u>	<u>40,382,614</u>
Capital Outlays			
Investment Outlay	13,000,000	10,500,000	14,256,012
Loans Outlay	20,000,000		
Property, Plant and Equipment Outlay			
Infrastructure Outlay	1,415,449	11,457,090	15,601,374
Machinery and Equipment Outlay	9,600,000	5,100,000	5,100,000
TOTAL CAPITAL OUTLAYS	<u>44,015,449</u>	<u>27,057,090</u>	<u>34,957,386</u>
GRAND TOTAL	<u>67,500,000</u>	<u>67,500,000</u>	<u>75,340,000</u>

