

Oversee the implementation of Special Projects

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)

Targets

NFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT

| | |
|---|-----|
| Number of directives, guidance notes, policies and procedures issued | 287 |
| Number of compliance reviews carried out | 982 |
| % of LGUs that breach one or more of the rules, directives, guidelines, policies or procedures specified by BLGF | 20% |
| % of LGUs over the last three years with two or more breaches on one or more of the rules, directives, guidelines, policies or procedures specified by BLGF | 15% |
| % of LGUs subject to three or more compliance reviews in the last two years | 70% |

E. BUREAU OF THE TREASURY

STRATEGIC OBJECTIVES

MANDATE

The Bureau of the Treasury (BTr) acts as principal custodian of the National Government (NG). It makes funds available for the various programs and projects of the government. It assists in the formulation of policies on borrowing, investment and capital market development, in managing the cash resources, collecting taxes made by NG and guarantee forward cover fees due NG, and in controlling and servicing its public debt, both foreign or domestic.

VISION

To be pro-active manager of public funds characterized by active duration management, minimization of interest rate risks and hedging of financial risks

MISSION

To efficiently and effectively manage the financial resources of government by maximizing revenues from available funds and minimizing costs of financing

KEY RESULT AREAS

Anti-corruption/transparent, accountable and participatory governance

SECTOR OUTCOME

Fiscal strength

ORGANIZATIONAL OUTCOME

National government's fiscal sustainability

New Appropriations, by Program/Project

Current Operating Expenditures

| <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Financial Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
|---------------------------|---|---------------------------|------------------------|--------------|
|---------------------------|---|---------------------------|------------------------|--------------|

PROGRAMS

| | | | | | | | |
|------------------------|------------------------------------|---|--------------------|---|--------------------|---|--------------------|
| 100000000 | General Administration and Support | P | 33,089,000 | P | 69,105,000 | P | 102,194,000 |
| 200000000 | Support to Operations | | 17,896,000 | | 48,112,000 | | 66,008,000 |
| 300000000 | Operations | | 286,815,000 | | 78,373,000 | | 365,188,000 |
| | MFO 1: Cash Management Services | | 250,518,000 | | 52,188,000 | | 302,706,000 |
| | MFO 2: Management of Public Debts | | 36,297,000 | | 26,185,000 | | 62,482,000 |
| Total, Programs | | | 337,800,000 | | 195,590,000 | | 533,390,000 |

PROJECT(S)

| | | | | | | | |
|--------------------------|---------------------------|--|--|--|-------------------|--------------------|--------------------|
| 400000000 | Locally-Funded Project(s) | | | | 14,612,000 | 501,000,000 | 515,612,000 |
| Total, Project(s) | | | | | 14,612,000 | 501,000,000 | 515,612,000 |

| | | | | | | | | | |
|---------------------------------|--|---|--------------------|---|--------------------|---|--------------------|---|----------------------|
| TOTAL NEW APPROPRIATIONS | | P | 337,800,000 | P | 210,202,000 | P | 501,000,000 | P | 1,049,002,000 |
|---------------------------------|--|---|--------------------|---|--------------------|---|--------------------|---|----------------------|

New Appropriations, by Central/Regional Allocation

Current Operating Expenditures

| Region | Personnel Services | Maintenance and Other Operating Expenses | Financial Expenses | Capital Outlays | Total |
|---------------------------------|----------------------|--|----------------------|-----------------|------------------------|
| Central Office | P 337,800,000 | P 210,202,000 | P 501,000,000 | | P 1,049,002,000 |
| TOTAL NEW APPROPRIATIONS | P 337,800,000 | P 210,202,000 | P 501,000,000 | | P 1,049,002,000 |

Special Provision(s)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Improved BTr income as % of GDP
2. Prudent liability management
3. Effective management of government assets
4. Enhanced business processes thru implementation of DMFAS version 6 and Treasury Single Account (TSA) Project
5. BTr Rationalization Program implemented
6. Professional Development Program pursued at BTr
7. IT systems upgraded and servers/hardware components installed for effective implementation of DMFAS version 6 and TSA
8. Internal procedures enhanced and compliant with good governance principles

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

Targets

MFO 1: CASH MANAGEMENT SERVICES

Fund the budgetary and non-budgetary expenses of MG

Interest Income on deposits and BSF/SSF Investment

P28,741,000,000

| | |
|--|---------------------------|
| NG Income Remitted to BTr | P17,715,000,000 |
| Amount of paid NDS checks replenished | P1,890,216,000,000 |
| % Excess of BTr Income from Operations over Target | 5% |
| % of replenishment of validated paid NDS checks | 100% paid NDS checks |
| NG income reports submitted within the prescribed schedule | on time submission |
| % of paid NDS checks replenished within the set schedule | daily before cut-off time |

MFO 2: MANAGEMENT OF PUBLIC DEBTS

| | |
|--|---------------------|
| Amount of debt service | P 793,583,000,000 |
| % of matured NG debt paid | 100% |
| NG debt paid fifteen (15) working days prior to due date | as NG debt fall due |
| Volume of government securities issued and redeemed | P 965,635,000,000 |
| Average interest rate for the 364-day T-bills maintained over the last three (3) years | 2.208% |
| Auction of government securities conducted as scheduled | as scheduled |

F. CENTRAL BOARD OF ASSESSMENT APPEALS

STRATEGIC OBJECTIVES

MANDATE

To warrant the observance of the due process of law clause mandated by the Constitution in the assessment and collection of real property taxes by the government and ensure that the taxpayers are given the opportunity to be heard

VISION

Local fiscal autonomy through fair and equitable real property assessment and collections

MISSION

To warrant the observance of the due process of law clause guaranteed by the Constitution in the assessment and collection of real property taxes

KEY RESULT AREAS

Anti-corruption/transparent, accountable and participatory governance

SECTOR OUTCOME

Fiscal strength

ORGANIZATIONAL OUTCOME

Fair and equitable real property tax assessments

New Appropriations, by Program/Project

=====

| | <u>Current Operating Expenditures</u> | | | |
|----------------------|---------------------------------------|---|------------------------|--------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| PROGRAMS | | | | |
| 300000000 Operations | P 8,513,000 | P 1,242,000 | | P 9,755,000 |
| | ----- | | | ----- |

| | | | |
|---------------------------------|----------------------|------------------|--------------------|
| MFO 1: Adjudication Services | 8,513,000 | 1,242,000 | 9,755,000 |
| Total, Programs | 8,513,000 | 1,242,000 | 9,755,000 |
| TOTAL NEW APPROPRIATIONS | P 8,513,000 P | 1,242,000 | P 9,755,000 |

New Appropriations, by Central/Regional Allocation

| | <u>Current Operating Expenditures</u> | | | |
|---------------------------------|---------------------------------------|---|------------------------|------------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| REGION | | | | |
| National Capital Region (NCR) | P 8,513,000 P | 1,242,000 | | P 9,755,000 |
| TOTAL NEW APPROPRIATIONS | P 8,513,000 P | 1,242,000 | | 9,755,000 |

Special Provision(s)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Faster and simpler filing, processing and monitoring of appealed cases
2. Online payment system for docket fees
3. Online case monitoring system
4. FAQ on CBAA and LBAA rules and procedures
5. E-bayad internet-based portals to effect a more convenient system of filing of appealed cases before the CBAA

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

| | <u>Targets</u> |
|---|----------------|
| MFO 1: ADJUDICATION SERVICES | |
| Number of cases reviewed | 32 |
| Percentage of cases reviewed over the last five years whose decisions are overturned by a higher court | 0 |
| Percentage of cases received for adjudication that are resolved within 30 days of receipt of complete documentation | 90% |

G. COOPERATIVE DEVELOPMENT AUTHORITY

STRATEGIC OBJECTIVES

MANDATE

As the lead government agency in the development and regulation of cooperatives, the Cooperative Development Authority promotes the growth and viability of cooperatives as instruments of equity, social justice and economic development in fulfillment of the mandate in Section 15, Article XII of the 1987 Philippine Constitution.

VISION

An effective and efficient regulatory agency working towards the development of viable, sustainable, socially-responsive and globally competitive cooperatives

MISSION

To ensure the safe and sound operations of cooperatives

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Progressive Cooperative Enterprises

ORGANIZATIONAL OUTCOME

Financially-stable and Socially-responsive Cooperative Enterprises

New Appropriations, by Program/Project

=====

| | <u>Current Operating Expenditures</u> | | | |
|--|---------------------------------------|---|------------------------|----------------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| PROGRAMS | | | | |
| 100000000 General Administration and Support | P 64,544,000 | P 19,375,000 | P 3,074,000 | P 86,993,000 |
| 200000000 Support to Operations | 10,036,000 | 1,592,000 | | 11,628,000 |
| 300000000 Operations | 149,032,000 | 68,227,000 | 4,126,000 | 221,385,000 |
| | | | | |
| MFO 1: Technical Advisory Services | 21,523,000 | 25,133,000 | 1,461,000 | 48,117,000 |
| MFO 2: Regulation of Cooperatives | 127,509,000 | 43,094,000 | 2,665,000 | 173,268,000 |
| | | | | |
| Total, Programs | 223,612,000 | 89,194,000 | 7,200,000 | 320,006,000 |
| | | | | |
| TOTAL NEW APPROPRIATIONS | P 223,612,000 | P 89,194,000 | P 7,200,000 | P 320,006,000 |

New Appropriations, by Central/Regional Allocation

=====

| | <u>Current Operating Expenditures</u> | | | |
|-------------------------------|---------------------------------------|---|------------------------|--------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| REGION | | | | |
| Central Office | P 45,115,000 | P 34,534,000 | P 3,074,000 | P 82,723,000 |
| Regional Allocation | 178,497,000 | 54,660,000 | 4,126,000 | 237,283,000 |
| | | | | |
| National Capital Region (NCR) | 16,287,000 | 5,013,000 | | 21,300,000 |
| Region I - Ilocos | 10,776,000 | 3,715,000 | 130,000 | 14,621,000 |

| | | | | |
|--|------------|-----------|-----------|------------|
| Region II - Cagayan Valley | 11,076,000 | 3,092,000 | 970,000 | 15,138,000 |
| Cordillera Administrative Region (CAR) | 10,888,000 | 2,737,000 | 130,000 | 13,755,000 |
| Region III - Central Luzon | 15,042,000 | 4,030,000 | 1,001,000 | 20,073,000 |
| Region IVA - CALABARZON | 16,849,000 | 4,733,000 | 195,000 | 21,777,000 |
| Region V - Bicol | 13,332,000 | 3,097,000 | 390,000 | 16,819,000 |
| Region VI - Western Visayas | 13,600,000 | 3,174,000 | | 16,774,000 |
| Region VII - Central Visayas | 11,927,000 | 3,637,000 | | 15,564,000 |
| Region VIII - Eastern Visayas | 11,594,000 | 4,667,000 | | 16,261,000 |
| Region IX - Zamboanga Peninsula | 8,709,000 | 3,335,000 | 130,000 | 12,174,000 |
| Region X - Northern Mindanao | 11,149,000 | 3,162,000 | 1,050,000 | 15,361,000 |
| Region XI - Davao | 12,626,000 | 4,079,000 | | 16,705,000 |
| Region XII - SOCCSKSARGEN | 7,345,000 | 3,288,000 | | 10,633,000 |
| Region XIII - CARAGA | 7,297,000 | 2,901,000 | 130,000 | 10,328,000 |

TOTAL NEW APPROPRIATIONS

| | | | | | | | |
|---|-------------|---|------------|---|-----------|---|-------------|
| P | 223,612,000 | P | 89,194,000 | P | 7,200,000 | P | 320,006,000 |
|---|-------------|---|------------|---|-----------|---|-------------|

Special Provision(s)

1. Remittances for Cooperative Funds. The amounts appropriated herein for the operation of the Cooperative Development Authority (CDA) shall be used exclusively for technical advisory services and regulation of cooperatives: PROVIDED, That in no case shall said amounts be used for providing credit services in accordance with E.O. No. 138, s. 1999. Accordingly, all balances of the Cooperative Development Loan Fund, Cooperative Marketing Project Fund, Cooperative Support Fund, and Cooperative Rehabilitation Development Fund, including payments from debtors arising from outstanding loans shall revert to the unappropriated surplus of the General Fund in accordance with Section 45, Chapter 5, Book VI of E.O. No. 292, s. 1987.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

- Efficient registration of cooperatives and mainstreaming of membership in cooperatives and provision of technical advisory services
- Effective regulation of cooperatives and enforcement of cooperative laws, rules and regulations
- Strengthen governance and enhance regulatory framework

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

Targets

MFO 1: TECHNICAL ADVISORY SERVICES

Registration of Cooperatives and Expansion of Membership

| | |
|---|--------|
| Number of technical services rendered | 25,854 |
| Percentage of clients who rate the technical services as good or better | 80% |
| Percentage of technical services rendered within 3 days of request | 80% |

MFO 2: REGULATION OF COOPERATIVES

Registrations

| | |
|---|-------|
| Number of registration applications and renewals/amendments acted upon | 1,186 |
| No. of cooperative registration applicants who rated the registration process as good or better | 80% |
| Percentage of registration application acted upon within 45 days from date of receipt of complete documents | 80% |

Monitoring

| | |
|---|--------|
| No. of sites, facilities and financial records monitored and/or inspected with reports issued | 53,580 |
|---|--------|

| | |
|---|-----|
| Percentage change in violations detected | 40% |
| Percentage of cooperatives inspected and/or examined within the year | 80% |
| Enforcement | |
| Number of violations or complaints acted upon and reports issued | 25 |
| Percentage of non-compliant cooperatives complying with sanctions and/or directives | 60% |
| Percentage of violations/complaints acted upon within 15 days after knowledge of violation or upon receipt of complaint | 80% |

H. INSURANCE COMMISSION

STRATEGIC OBJECTIVES

MANDATE

To safeguard the rights, welfare and interest of the insuring public; promote growth and financial stability of insurance companies; establish a sound national insurance market; professionalize insurance services; develop insurance consciousness among the general populace

VISION

By 2020, as regulator, we shall provide an opportunity for every Filipino to secure insurance protection and we shall observe practices at par with regional and global standards

MISSION

We are committed to protect the interest and welfare of the insuring public and to develop and strengthen the insurance industry

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Financial Sector Stability and Growth

ORGANIZATIONAL OUTCOME

Insurance Industry Stability and Development

New Appropriations, by Program/Project

=====

| | | <u>Current Operating Expenditures</u> | | | |
|-----------------|--------------------------------------|---------------------------------------|--------------------|----------------|--------------|
| | | <u>Personnel</u> | <u>Maintenance</u> | <u>Capital</u> | <u>Total</u> |
| | | <u>Services</u> | <u>and Other</u> | <u>Outlays</u> | |
| | | | <u>Operating</u> | | |
| | | | <u>Expenses</u> | | |
| PROGRAMS | | | | | |
| 100000000 | General Administration and Support | P 1,000 | | | P 1,000 |
| 300000000 | Operations | 6,000 | | | 6,000 |
| | MFO 1: Insurance Regulation Services | 6,000 | | | 6,000 |
| | Total, Programs | 7,000 | | | 7,000 |

| | | |
|---|---------------------------------------|--------------------|
| TOTAL NEW APPROPRIATIONS | P 7,000 | P 7,000 |
| | ===== | ===== |
| New Appropriations, by Central/Regional Allocation | | |
| ===== | | |
| | Current Operating Expenditures | |
| | Personnel | Maintenance |
| | Services | and Other |
| | | Operating |
| | | Expenses |
| | | Capital |
| | | Outlays |
| | | Total |
| | ----- | ----- |
| REGION | | |
| Regional Allocation | P 7,000 | P 7,000 |
| | ----- | ----- |
| National Capital Region (NCR) | 7,000 | 7,000 |
| | ----- | ----- |
| TOTAL NEW APPROPRIATIONS | P 7,000 | P 7,000 |
| | ===== | ===== |

Special Provision(s)

1. **Insurance Fund.** In addition to the amounts appropriated herein, Ninety Eight Million Eight Hundred Thirty Four Thousand Pesos (P98,834,000) sourced from the proceeds of premium taxes, constituted into the Insurance Fund, shall be used to cover the Insurance Commission's (IC's) MOOE and Capital Outlay requirements in accordance with Section 286 of R.A. No. 8424.

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

2. **Funding for Personnel Service Requirements.** The Personnel Service (PS) requirements of the IC shall be sourced from the Pre-need Fund established in accordance with Section 5 of R.A. No. 9829: PROVIDED, That any deficiency therefrom may be augmented by the Insurance Fund: PROVIDED, FURTHER, That in case the foregoing Funds are insufficient, an amount from the Miscellaneous Personnel Benefits Fund may be released to the IC, upon submission of a certification from the BTr of the balance of the Pre-need and Insurance Funds, and a determination by the DBM that such balance is insufficient to cover the PS requirements of the IC.

Releases from the Pre-need Fund and the Insurance Fund shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

3. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

Targets

=====

MFO 1: INSURANCE REGULATION SERVICES

Insurance Licensing Services

| | |
|--|--------|
| Number of licenses and permits issued | 52,290 |
| Percentage of applications processed with complete documentation | 90% |
| Percentage of license or permit applications processed within 14 days of receipt | 80% |

Monitoring

| | |
|--|-------|
| Number of target entities/reports/disclosures monitored | 2,504 |
| Percentage of target entities/reports/disclosures monitored for compliance | |
| to tariff rules and investment requirements | 90% |
| Percentage of monitored target entities/reports/disclosures reviewed within the year | 90% |

Enforcement

| | |
|--|--------|
| Number of entities/reports/disclosures inspected | 46,585 |
| Number of violations of tariff rules and investment requirements detected in the last 3 years | 0 |
| Percentage of entities/reports/disclosures that have been inspected within the prescribed schedule | 90% |

Note: Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

I. NATIONAL TAX RESEARCH CENTER

STRATEGIC OBJECTIVES

MANDATE

The National Tax Research Center is mandated to conduct continuing research in taxation "to restructure the tax system and raise the level of tax consciousness among our people to achieve a faster rate of economic growth and to bring about a more equitable distribution of wealth and income".

VISION

Be recognized as the premier tax research institution attached to the Department of Finance (DOF); Be a more motivated and committed team of professionals that will continue to provide high quality research and technical assistance in taxation and other fiscal related matters to the DOF and other branches of the executive, legislature, local government units, the private sector and international institutions; and Be using state-of-the-art technology for information systems and processes.

MISSION

We are the government institution dedicated to promoting a tax system that will ensure a fair distribution of the tax burden among the Filipino taxpayers.

We are committed to recommend necessary improvements in the tax system by conducting quality research on taxation and to provide responsive staff support to fiscal policy makers.

We are also committed to provide opportunities for professional growth and to promote the well-being of our personnel.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Improved Tax System and Fair Distribution of Tax Burden Among Taxpayers

New Appropriations, by Program/Project

=====

| | <u>Current Operating Expenditures</u> | | | |
|--|---------------------------------------|---|------------------------|--------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| PROGRAMS | | | | |
| 100000000 General Administration and Support | P 13,009,000 | P 5,717,000 | | P 18,726,000 |

| | | | |
|------------------------------------|----------------|------------|--------------|
| 300000000 Operations | 17,917,000 | 7,133,000 | 25,050,000 |
| | ----- | ----- | ----- |
| MFO 1: Technical Advisory Services | 17,917,000 | 7,133,000 | 25,050,000 |
| | ----- | ----- | ----- |
| Total, Programs | 30,926,000 | 12,850,000 | 43,776,000 |
| | ----- | ----- | ----- |
| TOTAL NEW APPROPRIATIONS | P 30,926,000 P | 12,850,000 | P 43,776,000 |
| | ===== | ===== | ===== |

New Appropriations, by Central/Regional Allocation

| | <u>Current Operating Expenditures</u> | | | |
|-------------------------------|---------------------------------------|---|------------------------|--------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| REGION | | | | |
| Regional Allocation | P 30,926,000 P | 12,850,000 | | P 43,776,000 |
| | ----- | ----- | | ----- |
| National Capital Region (NCR) | 30,926,000 | 12,850,000 | | 43,776,000 |
| | ----- | ----- | | ----- |
| TOTAL NEW APPROPRIATIONS | P 30,926,000 P | 12,850,000 | | P 43,776,000 |
| | ===== | ===== | | ===== |

Special Provision(s)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Comprehensive review of the tax system
2. Conduct of studies/projects aimed at rationalizing the tax structure and improving tax policy and administration which include:
 - 2.1 Improvements in direct taxation
 - 2.2 Improvements in indirect taxation
 - 2.3 Rationalization of fiscal incentives
 - 2.4 More effective tax administration
 - 2.5 Increased capacities of local governments and improvements in local finance
 - 2.6 Conduct of baseline studies
3. Monitoring of compliance of national government agencies (NGAs) to Administrative Order (AO) No. 31 re: revision of fees and charges
4. Monitoring of tax collection performance of the BIR regional offices and BOC district ports
5. Involvement in Land Administration and Management Project Phase 2-Property Valuation and Taxation Component
6. Consultancy to the Executive and Technical Committee on Real Property Valuation pursuant to Department Order No. 6-2010 and BIR Regional Revenue Special Order No. 61-2010
7. Technical assistance to Congress and other government agencies

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

Targets

MFO 1: TECHNICAL ADVISORY SERVICES

| | |
|--|--------------------------|
| Number of evaluations, studies, tax proposals/tax assessments | 42, 35, 16, respectively |
| Percentage of recommendations adopted | 90% |
| Percentage of reviews, evaluations and studies delivered on or before the requested date | 100% |

J. PRIVATIZATION AND MANAGEMENT OFFICE

STRATEGIC OBJECTIVES

MANDATE

Implement the actual marketing/disposition program for government corporations, assets and other properties (E.O. 323). Dispose assets and/or rights, mandated under E.O. 372, transferred to NG and entrusted said assets and/or rights to PND (E.O. 471)

VISION

Promote an orderly, coordinated and efficient privatization/disposition of assets, activities and other properties. Broaden economic base by turning state owned enterprises over to the private sector. Provide more investment and employment opportunities to help attain economic growth

MISSION

Take title to and possession of, conserve, provisionally manage, and dispose of assets identified for privatization, and in process, reduce the Government's maintenance expense in non-performing assets and generate maximum cash recovery for the National Government

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Effective Assets and Debt Management

New Appropriations, by Program/Project

=====

| | | <u>Current Operating Expenditures</u> | | | |
|-----------------|---|---------------------------------------|--------------------|----------------|---------------------|
| | | <u>Personnel</u> | <u>Maintenance</u> | <u>Capital</u> | <u>Total</u> |
| | | <u>Services</u> | <u>and Other</u> | <u>Outlays</u> | |
| | | | <u>Operating</u> | | |
| | | | <u>Expenses</u> | | |
| | | | | | |
| PROGRAMS | | | | | |
| 100000000 | General Administration and Support | P 22,066,000 | | | P 22,066,000 |
| 300000000 | Operations | 20,376,000 | | | 20,376,000 |
| | MFO 1: Privatization of Government Assets | 20,376,000 | | | 20,376,000 |
| | Total, Programs | 42,442,000 | | | 42,442,000 |
| | TOTAL NEW APPROPRIATIONS | P 42,442,000 | | | P 42,442,000 |
| | | ===== | | | ===== |

New Appropriations, by Central/Regional Allocation

=====

| | | <u>Current Operating Expenditures</u> | | | |
|--|--|---------------------------------------|--------------------|----------------|--------------|
| | | <u>Personnel</u> | <u>Maintenance</u> | <u>Capital</u> | <u>Total</u> |
| | | <u>Services</u> | <u>and Other</u> | <u>Outlays</u> | |
| | | | <u>Operating</u> | | |
| | | | <u>Expenses</u> | | |
| | | | | | |

REGION

| | | |
|-------------------------------|--------------|--------------|
| Regional Allocation | P 42,442,000 | P 42,442,000 |
| | ----- | ----- |
| National Capital Region (NCR) | 42,442,000 | 42,442,000 |
| | ----- | ----- |
| TOTAL NEW APPROPRIATIONS | P 42,442,000 | P 42,442,000 |
| | ----- | ----- |

Special Provision(s)

1. **Revolving Fund for the Conservation and Disposition of Assets.** Revenues realized by the Privatization and Management Office (PMO) from commissions, due diligence fees and sale of asset bidding rules, information memoranda and similar documents, as well as portion or percentage of proceeds from the disposition of GOCCs, assets and idle properties, not to exceed ten percent (10%), as approved by the Privatization Council, shall be constituted as a revolving fund. The fund shall be used for the payment of fees and reimbursable expenses, costs and expenses incurred by the PMO in the conservation and disposition of assets held by it, including fees of hired financial advisers, and in the performance of its other responsibilities pursuant to Proclamation No. 50 dated December 15, 1986 and E.O. No. 323, s. 2000.

In addition, a portion not exceeding ten percent (10%) of the proceeds realized from the disposition of properties of abolished government corporations and former enemy-owned entities of the Board of Liquidators beginning FY 2007 and succeeding years shall form part of this revolving fund. Said fund shall be used for the payment of costs and expenses incurred by the PMO in the conservation and disposition of government assets in accordance with E.O. No. 471, s. 2005.

The remaining balance of ninety percent (90%) of the foregoing proceeds shall be deposited with the National Treasury as income of the General Fund pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292 and Section 65 of P.D. No. 1445.

The PMO shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on income of, and expenditure from, this Fund. The Chief of PMO and the Office's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the PMO.

In case of failure to comply with the foregoing requirements, any disbursement in the subsequent quarters shall be void, except upon certification by the DBM and the Office's web administrator that said report has been submitted and posted, respectively.

2. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

Generate proceeds from the sale of real estate properties and intensify the collection of receivables

MAJOR FINAL OUTPUTS (MFOs)/PERFORMANCE INDICATORS (PIs)

Targets

MFO 1: PRIVATIZATION OF GOVERNMENT ASSETS

Sale/Disposition of assets and other properties assigned by the Privatization Council

| | |
|---|---------------|
| Number of Assets Sales Completed | 11 |
| Value of Asset Sale Proceeds | P 463,000,000 |
| Actual asset sale proceeds less the estimated market value of assets | P 417,000,000 |
| Average number of days from date of Council approval of asset disposition to date of receipt of sale proceeds or date of transfer of ownership (whichever is later) | 60 |

Management of Assets Held in Trust Prior to Privatization

| | |
|--|-----------------|
| Number of assets under management | 131 |
| Value of assets under management | P52,000,000,000 |
| Average change in estimated value of assets under management from beginning of year to end of year or earlier date of sale | 0 |
| Percentage of assets for which the financial accounts are produced within 30 days of the end of the financial year | 8 |

K. SECURITIES AND EXCHANGE COMMISSION**STRATEGIC OBJECTIVES****MANDATE**

The Commission's broad regulatory scope covers the corporate sector, capital market participants, securities and investment instruments, and the investing public. The Securities Act (Commonwealth Act. No. 83) established the SEC in 1936 mainly to administer the registration of securities, exchanges, brokers, dealers and salesmen. The SEC Reorganization Act (Presidential Decree No. 902-A) gave the Commission ample powers to protect the public and their investments, and reorganized the Commission into a collegial body vested with absolute jurisdiction, supervision and control over all corporations, partnership or associations, who are the grantees of primary franchise and/or a license or permit issued by the government to operate in the Philippines. The Corporation Code of the Philippines (Datas Pambansa Blg. 68) affirmed the SEC mandate to register corporations, collect fees from registering corporations, and prescribe reportorial requirements. The law also empowered SEC to reject articles of incorporation or disapprove any amendment thereto. It likewise authorized the SEC to promulgate rules and regulations, reasonably necessary to enable it to perform its duties particularly in the prevention of fraud and abuses on the part of the controlling stockholders, members, directors, and trustees or officers of corporations. To give greater focus on the Commission's role in capital market development, fostering good corporate governance and enhancing investor protection, the Securities Regulation Code (Republic Act No. 8799), provided for the SEC reorganization that took place in the year 2000, and transferred the Commission's jurisdiction over all cases enumerated under Section 5 of PD 902-A to the Courts of general jurisdiction or the appropriate Regional Trial Court (acting as Commercial Courts). Under Section 5 of the Securities Regulation Code, the Commission shall act with transparency and shall have the powers and functions provided by the Code, Presidential Decree No. 902-A, the Corporation Code of the Philippines, the Investment Houses Law, the Financing Company Act and other existing laws. Considering that only Sections 2, 4, and 8 of Presidential Decree 902-A, as amended, have been expressly repealed by the Securities Regulation Code, the Commission retains the powers enumerated in Section 6 of the said Decree, unless these are inconsistent with any provision of the Code. In addition, the Commission also implements Civil Code provisions on Partnerships (i.e., Republic Act 38- Title IX), and acts either as lead or support agency in administering among others, the following laws:

1. Real Estate Investment Trust Act of 2009 (RA 9856)
2. Credit Information System Act (RA 9510)
3. Lending Company Regulation Act (RA 9474)
4. Securitization Act of 2004 (RA 9267)
5. Special Purpose Vehicle Act (RA 9182)
6. Financing Company Act (RA 5980 as amended by RA 8366)
7. Investment Houses Law (PD 129 as amended by RA 8366)
8. Investment Company Act (RA 2629)
9. Personal Equity and Retirement Account Act (RA 9505)
10. Anti-Money Laundering Law (RA 9160)
11. Retail Trade Liberalization Act of 2000 (RA 8762)
12. Omnibus Investment Code (E.O. 226, Book III)
13. Foreign Investment Act of 1991 (RA 7042 as amended by RA 8179)
14. Education Act of 1982 (BP 232 as amended by RA 7798)
15. Anti-Dummy Law (CA 108)

VISION

We envision that, by December 31, 2015, the Commission has fully implemented its three-year program to build its physical and ICT infrastructure, and harnessed the skills and expertise of highly competent and motivated staff, for the efficient and effective performance of its duties and responsibilities.

MISSION

To strengthen the corporate and capital market infrastructure of the Philippines, and to maintain a regulatory system, based on international best standards and practices, that promotes the interests of investors in a free, fair and competitive business environment. We shall be guided in this mission by the values of integrity, professionalism, accountability, independence and initiative

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

- (1) Resilient and inclusive financial system, and
(2) Good governance

ORGANIZATIONAL OUTCOME

- (1) Strengthened corporate and capital market infrastructure, and
(2) Sound and ethical practices by regulated entities

New Appropriations, by Program/Project

=====

| | <u>Current Operating Expenditures</u> | | | |
|--|---------------------------------------|---|------------------------|----------------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| PROGRAMS | | | | |
| 100000000 General Administration and Support | P 222,038,000 | P 146,196,000 | P 2,000,000 | P 370,234,000 |
| 200000000 Support to Operations | 4,279,000 | 10,417,000 | | 14,696,000 |
| 300000000 Operations | 94,520,000 | 61,230,000 | | 155,750,000 |
| | | | | ----- |
| MFO 1: Corporate and Capital Market Development Services | | 33,045,000 | | 33,045,000 |
| MFO 2: Corporate and Capital Market Regulation Services | 94,520,000 | 28,185,000 | | 122,705,000 |
| | | | | ----- |
| Total, Programs | 320,837,000 | 217,843,000 | 2,000,000 | 540,680,000 |
| | | | | ----- |
| TOTAL NEW APPROPRIATIONS | P 320,837,000 | P 217,843,000 | P 2,000,000 | P 540,680,000 |
| | | | | ===== |

New Appropriations, by Central/Regional Allocation

=====

| | <u>Current Operating Expenditures</u> | | | |
|---------------------------------|---------------------------------------|---|------------------------|----------------------|
| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
| REGION | | | | |
| Regional Allocation | P 320,837,000 | P 217,843,000 | P 2,000,000 | P 540,680,000 |
| | | | | ----- |
| National Capital Region (NCR) | 320,837,000 | 217,843,000 | 2,000,000 | 540,680,000 |
| | | | | ----- |
| TOTAL NEW APPROPRIATIONS | P 320,837,000 | P 217,843,000 | P 2,000,000 | P 540,680,000 |
| | | | | ===== |

Special Provision(s)

1. **Registration and Filing Fees.** In addition to the amounts appropriated herein, One Hundred Million Pesos (P100,000,000) sourced from registration and filing fees collected by the Securities and Exchange Commission (SEC) shall be retained by the Commission to augment its MOOE and Capital Outlay requirements in accordance with Section 75 of R.A. No. 8799.

[2. ~~Use of Excess Income.~~ The SEC is authorized to use its income in excess of the collection targets presented in the FY 2014 BESF for the purchase of lot for its official site, which shall not exceed the amount of One Billion Pesos (P1,000,000,000), equipment and furniture and fixtures.] (DIRECT VETO - President's Veto Message, December 20, 2013, page 1106, R.A. No. 10633)

3. **Funding for Salary Adjustments and Creation of Additional Positions.** Of the amount appropriated herein for Personnel Services, the amount of One Hundred Sixty Four Million Eight Hundred Forty Seven Thousand Pesos (P164,847,000) shall be used for the following: (i) Salary adjustment of the officials and employees of the SEC subject to the approval of the President of the Philippines upon recommendation of the DBM, pursuant to Section 6 of P.D. No. 1597 and item 9 of Congress Joint Resolution No. 4 dated June 17, 2009; and (ii) Personnel Service requirements for the creation of additional positions subject to the approval of the DBM.

4. **Submission of Annual Operating Budget for Retained Income and Audited Financial Statement.** The SEC shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current fiscal year covering its retained income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year.

Failure to submit said annual reports and the audited financial statements shall render any disbursement from said income void, and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5, and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

5. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

| MAJOR FINAL OUTPUTS (NFOs)/PERFORMANCE INDICATORS (PIs) | Targets |
|--|---------|
| ===== | ===== |
| NFO 1: CORPORATE AND CAPITAL MARKET DEVELOPMENT SERVICES | |
| PI SET 1 - Policy measures implemented to enhance the regulatory framework and foster continued growth of the capital market in particular and the business sector in general | |
| No. of planned measures promulgated/implemented | 4 |
| Percentage of measures promulgated/implemented that are rated good or better | 100% |
| Percentage of measures promulgated/implemented within the prescribed timeframe | 100% |
| PI SET 2 - Technical Assistance | |
| Number of technical assistance rendered | 0 |
| Percentage of clients who rate the technical assistance as good or better | 100% |
| Percentage of requests for technical assistance that are acted upon within prescribed timeframe | 100% |
| NFO 2: CORPORATE AND CAPITAL MARKET REGULATION SERVICES | |
| Registration/Licensing Services | |
| Number of registrations approved and licenses issued | 10,000 |
| Percentage of applications processed pursuant to standard processing procedures and parameters | 100% |
| Percentage of license or permit applications and renewals processed within standard processing timeframe | 100% |
| Monitoring | |
| Number of target entities/reports/disclosures monitored and evaluated | 61,281 |
| Percentage of target entities/reports/disclosures monitored and evaluated pursuant to standard monitoring and evaluating parameters | 100% |
| Percentage of target entities/reports/disclosures monitored and evaluated within standard timeframe | 100% |
| Enforcement | |
| Percentage of errant firms and individuals imposed the appropriate fines and/or penalties | 0 |
| Percentage of enforcement activities undertaken in accordance with rules, regulations and standards | 100% |
| Percentage of enforcement activities undertaken within standard timeframe | 100% |

**GENERAL SUMMARY
DEPARTMENT OF FINANCE**

Current Operating Expenditures

| | <u>Personnel Services</u> | <u>Maintenance and Other Operating Expenses</u> | <u>Financial Expenses</u> | <u>Capital Outlays</u> | <u>Total</u> |
|--|-------------------------------|---|-------------------------------|----------------------------|-------------------------|
| A. Office of the Secretary | P 183,367,000 | P 243,823,000 | P | P 11,568,000 | P 438,758,000 |
| B. Bureau of Customs | 1,120,807,000 | 818,628,000 | | | 1,939,435,000 |
| C. Bureau of Internal Revenue | 3,478,096,000 | 3,167,957,000 | 185,443,000 | 120,755,000 | 6,952,251,000 |
| D. Bureau of Local Government Finance | 122,094,000 | 61,735,000 | | 5,000,000 | 188,829,000 |
| E. Bureau of the Treasury | 337,800,000 | 210,202,000 | 501,000,000 | | 1,049,002,000 |
| F. Central Board of Assessment Appeals | 8,513,000 | 1,242,000 | | | 9,755,000 |
| G. Cooperative Development Authority | 223,612,000 | 89,194,000 | | 7,200,000 | 320,006,000 |
| H. Insurance Commission | 7,000 | | | | 7,000 |
| I. National Tax Research Center | 30,926,000 | 12,850,000 | | | 43,776,000 |
| J. Privatization and Management Office | 42,442,000 | | | | 42,442,000 |
| K. Securities and Exchange Commission | 320,837,000 | 217,843,000 | | 2,000,000 | 540,680,000 |
| Total New Appropriations, Department of Finance | P 5,868,501,000 | P 4,823,474,000 | P 686,443,000 | P 146,523,000 | P 11,524,941,000 |