31 January 2019

MR. EMMANUEL F. PIÑOL
Secretary
Department of Agriculture (DA)
Elliptical Road, Diliman, Quezon City

Attention: Ms. Marilyn B. Mabale
Administrator, National Dairy Authority (NDA)

Dear Secretary Piñol:

This refers to DA’s proposals for the 2019 National Priority Plan (NPP). As evaluated by the Technical Committee on the NPP (TC-NPP) during its meeting on 16 January 2019, we are pleased to inform you of the reinclusion/inclusion of the following DA proposals in the 2019 NPP:

<table>
<thead>
<tr>
<th>PROGRAM/PROJECT/ACTIVITY (PPA)</th>
<th>TYPE</th>
<th>PROPOSER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Enterprise Assistance via Equipment and Technology Support</td>
<td>for reinclusion</td>
<td>DA-National Dairy Authority</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(DA-NDA)</td>
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<tr>
<td>2. Milk Feeding Program</td>
<td>for inclusion</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(New Proposal)</td>
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<tr>
<td>3. Production of Dairy Local Cattle for the Dairy Industry through Genetic Improvement</td>
<td>for inclusion (New Proposal)</td>
<td></td>
</tr>
</tbody>
</table>

The NEDA finds that these programs are consistent with existing government thrusts and various strategies identified in the Philippine Development Plan 2017-2022, thus will make a significant contribution in the implementation of the Department’s mandates.

Inclusion in the NPP entitles donations under the program to be deductible in full in accordance with the provision of Sec. 34 (H) (2) (a) of the National Internal Revenue Code of 1997. However, the TC-NPP reiterates that under NEDA Circular No. 01-2009\(^1\), donations in the form of personal services and technologically obsolete or fully depreciated equipment, supplies and materials shall not be eligible under the NPP. In this regard, may we request the DA to monitor and submit a report of annual availing of tax deduction under the NPP in the implementation of these programs. Attached is the NEDA Form 2 Monitoring Form for the NPP and the certification attesting the inclusion of the above-mentioned programs in the 2019 NPP.

With best regards.

Very truly yours,

ERNESTO M. PERNIA
Secretary of Socioeconomic Planning

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\(^1\) Guidelines for the Formulation and Issuance of Certification of Inclusion of Programs, Projects and Activities in the National Priority Plan (NPP)
CERTIFICATION

This is to certify that the following programs, projects and activities (PPAs) of the Department of Agriculture (DA) are considered Priority PPAs to be included in the 2019 National Priority Plan:

1. Enterprise Assistance via Equipment and Technology Support;
2. Milk Feeding Program; and

This Certification is issued with the recommendation that DA will strengthen its advocacy to generate private sector donations for the abovementioned PPAs as well as monitor and submit a report of annual availment of tax deduction under the NPP in the implementation of these programs. Furthermore, the NEDA Circular No. 01-2009 specifies that donations in the form of personal services and technologically obsolete or fully depreciated equipment, supplies and materials are excluded, thus ineligible for tax deduction under the NPP.

This Certification is issued for the purpose of entitling the donation to be deductible in full in accordance with the provision of Sec. 34(H)(2)(a) of the National Internal Revenue Code of 1997.

Done this 31st day of January 2019 at Pasig City, Philippines.

ERNesto M. PERNIA
Secretary of Socioeconomic Planning