



**Pambansang Pangasiwaan ng Patubig**  
(NATIONAL IRRIGATION ADMINISTRATION)

Lungsod ng Quezon

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MC No. 50, S. 2012

**MEMORANDUM CIRCULAR**

**TO :** THE SENIOR DEPUTY ADMINISTRATOR, DEPUTY ADMINISTRATORS, DEPARTMENT MANAGERS, REGIONAL IRRIGATION MANAGERS, OPERATIONS MANAGERS, PROJECT MANAGERS, DIVISION MANAGERS, IRRIGATION MANAGEMENT OFFICE MANAGERS, REGIONAL AND PROJECT ACCOUNTANTS AND ALL OTHERS CONCERNED

**SUBJECT :** REPAIR AND MAINTENANCE OF OPERATION & MAINTENANCE (O&M) EQUIPMENT

Since CY 2011, repair and maintenance of O&M equipment has been funded under the 1% Direct Cost as per MC No. 39, series 2011 as approved by the NIA Board of Directors under Board Resolution No. 7684-11 series of 2011. During its first year of implementation, a total of 388 units of O&M equipment were repaired with a total expenditure of ₱ 39,236,266.12.

Pursuant to Special Provision No. 4 – Implementation of Irrigation Projects, and Special Provision No. 10 – Subsidy to National Irrigation Administration of the Budgetary Support to Government Corporations, as provided under Republic Act No. 10155 (General Appropriations Act for Calendar Year 2012), repair and maintenance of equipment is not part of the Direct Cost but already included in the agency subsidy to support operations. The Direct Cost shall be used exclusively for the restoration, rehabilitation and construction of irrigation projects.

***In order to sustain the functionality of the rehabilitated and restored irrigation facilities, there is a need to continue the much needed repair and maintenance of O&M equipment. Hence, funds equivalent to ONE PERCENT (1%) of the Direct Cost, exclusively for the repair and maintenance of O&M equipment, shall be funded under the GAA Subsidy (To Support Operations For the Maintenance of Irrigation System Nationwide) for FY 2013 and onwards.***

**For strict compliance.**

November 29, 2012

  
**ANTONIO S. NANGEL**  
Acting Administrator