



29 September 2021

LEGAL ADVISORY NO. 01
Series of 2021

TO : ALL ELECTRIC COOPERATIVES (ECs)

SUBJECT : ELECTORAL CONTRIBUTIONS AND EXPENDITURES

Relative to the directive of the NEA BOARD OF ADMINISTRATORS on the above subject and NEA Memorandum No. 2021-40 on the subject, GUIDELINES IN THE CANDIDACY OF EC OFFICIALS AND EMPLOYEES FOR 2022 NATIONAL AND LOCAL ELECTIONS dated 17 September 2021, all ECs are reminded to strictly comply with the pertinent provisions of the Omnibus Election Code, as amended, more particularly on electoral contributions and expenditures as provided under ARTICLE XI thereof, thus:

"SECTION 94. Definitions. - As used in this Article:

(a) The term "contribution" includes a gift, donation, subscription, loan, advance or deposit of money or anything of value, or a contract, promise or agreement to contribute, whether or not legally enforceable, made for the purpose of influencing the results of the elections but shall not include services rendered without compensation by individuals volunteering a portion or all of their time in behalf of a candidate or political party. It shall also include the use of facilities voluntarily donated by other persons, the money value of which can be assessed based on the rates prevailing in the area.

(b) The term "expenditure" includes the payment or delivery of money or anything of value, or a contract, promise or agreement to make an expenditure, for the purpose of influencing the results of the election. It shall also include the use of facilities personally owned by the candidate, the money value of the use of which can be assessed based on the rates prevailing in the area.

(c) The term "person" includes an individual, partnership, committee, association, corporation, and any other organization or group of persons.

SECTION 95. Prohibited contributions. - No contribution for purposes of partisan political activity shall be made directly or indirectly by any of the following:

(a) Public or private financial institutions: Provided, however, That nothing herein shall prevent the making of any loan to a candidate or political party by any such public or private financial institutions legally in the business of lending money, and that the loan is made in accordance with laws and regulations and in the ordinary course of business;

(b) **Natural and juridical persons operating a public utility** or in possession of or exploiting any natural resources of the nation;

(c) Natural and juridical persons who hold contracts or sub-contracts to supply the government or any of its divisions, subdivisions or instrumentalities, with goods or services or to perform construction or other works;

(d) **Natural and juridical persons who have been granted franchises, incentives, exemptions, allocations or similar privileges or concessions** by the government or any of its divisions, subdivisions or instrumentalities, including government-owned or controlled corporations;

(e) Natural and juridical persons who, within one year prior to the date of the election, have been granted loans or other accommodations in excess of P100,000 by the government or any of its divisions, subdivisions or instrumentalities including government-owned or controlled corporations;

(f) Educational institutions which have received grants of public funds amounting to no less than P100,000.00;

(g) Officials or employees in the Civil Service, or members of the Armed Forces of the Philippines; and

(h) Foreigners and foreign corporations.

It shall be unlawful for any person to solicit or receive any contribution from any of the persons or entities enumerated herein."
(Emphasis supplied)

For your information and guidance.



Atty. VIC P. ALVARO

Acting Deputy Administrator for Legal Services

Noted by:



Atty. ROSSAN SJ. ROSERO-LEE

Officer-in-Charge

NATIONAL ELECTRIFICATION
ADMINISTRATION
Office of the Administrator



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