

XX. DEPARTMENT OF NATIONAL DEFENSE

A. OFFICE OF THE SECRETARY - PROPER

For general administration and support, and operations, including locally-funded project, as indicated hereunder..... P 1,178,988,000  
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New Appropriations, by Program  
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		Current Operating Expenditures			
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		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
		-----	Operating	-----	-----
			Expenses		
		-----	-----	-----	-----
<b>A. REGULAR PROGRAMS</b>					
1000000000000000	General Administration and Support	P 95,141,000	P 214,434,000	P 261,000,000	P 570,575,000
3000000000000000	Operations	131,893,000	249,883,000	12,437,000	394,213,000
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	<b>DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM</b>	131,893,000	249,883,000	12,437,000	394,213,000
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	<b>Total, Regular Programs</b>	<b>227,034,000</b>	<b>464,317,000</b>	<b>273,437,000</b>	<b>964,788,000</b>
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<b>B. PROJECT(S)</b>					
	Locally-Funded Project(s)		211,200,000	3,000,000	214,200,000
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	<b>Total, Project(s)</b>		<b>211,200,000</b>	<b>3,000,000</b>	<b>214,200,000</b>
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	<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 227,034,000</b>	<b>P 675,517,000</b>	<b>P 276,437,000</b>	<b>P 1,178,988,000</b>
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Special Provision(s)

1. Reporting and Posting Requirements. The Department of National Defense (DND) shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
- (b) DND's website.

The DND shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

2. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

## New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
10000000000000	General Administration and Support				
10000100001000	General management and supervision	P 90,041,000	P 214,434,000	P 261,000,000	P 565,475,000
10000100002000	Administration of Personnel Benefits	5,100,000			5,100,000
Sub-total, General Administration and Support		95,141,000	214,434,000	261,000,000	570,575,000
30000000000000	Operations				
31010000000000	DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM	131,893,000	249,883,000	12,437,000	394,213,000
310100100001000	Development, implementation and monitoring of the Defense System of Management (DSOM)	131,893,000	132,737,000	12,437,000	277,067,000
310100100002000	Development, implementation and monitoring of the International Defense Engagement (IDSE)		117,146,000		117,146,000
Sub-total, Operations		131,893,000	249,883,000	12,437,000	394,213,000
Total, Regular Programs		227,034,000	464,317,000	273,437,000	964,788,000
PROJECT(S)					
Locally-Funded Project(s)					
310100200001000	Implementation of the Enhanced Comprehensive Local Integration Program (E-CLIP) and Operational Support to Task Force Balik-Loob Pursuant to Administrative Order No. 10, s. 2018		109,000,000		109,000,000
310100200002000	Implementation and Monitoring Support for Security Operations		102,200,000	3,000,000	105,200,000
Sub-total, Locally-Funded Project(s)			211,200,000	3,000,000	214,200,000
Total, Project(s)			211,200,000	3,000,000	214,200,000
TOTAL NEW APPROPRIATIONS		P 227,034,000	P 675,517,000	P 276,437,000	P 1,178,988,000

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

Basic Salary

168,654

Total Permanent Positions

168,654

## Other Compensation Common to All

Personnel Economic Relief Allowance

6,576

Representation Allowance

4,002

Transportation Allowance

4,002

Clothing and Uniform Allowance

1,644

Mid-Year Bonus - Civilian

14,055

Year End Bonus

14,055

Cash Gift

1,370

Productivity Enhancement Incentive

1,370

Step Increment

421

Total Other Compensation Common to All

47,495

## Other Benefits

PAG-IBIG Contributions

329

PhilHealth Contributions

3,286

Employees Compensation Insurance Premiums

329

Loyalty Award - Civilian

90

Terminal Leave

5,100

Total Other Benefits

9,134

Non-Permanent Positions

1,751

Total Personnel Services

227,034

## Maintenance and Other Operating Expenses

Travelling Expenses

115,539

Training and Scholarship Expenses

156,500

Supplies and Materials Expenses

96,378

Utility Expenses

33,407

Communication Expenses

23,318

Confidential, Intelligence and Extraordinary Expenses

Confidential Expenses

87,000

Extraordinary and Miscellaneous Expenses

4,416

Intelligence Expenses

10,000

Professional Services

42,224

General Services

15,982

Repairs and Maintenance

40,683

Taxes, Insurance Premiums and Other Fees

3,194

Other Maintenance and Operating Expenses	
Advertising Expenses	274
Printing and Publication Expenses	1,275
Representation Expenses	26,025
Rent/Lease Expenses	13,843
Subscription Expenses	5,409
Donations	50
Total Maintenance and Other Operating Expenses	675,517
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TOTAL CURRENT OPERATING EXPENDITURES	902,551
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Capital Outlays	
Property, Plant and Equipment Outlay	
Machinery and Equipment Outlay	15,537
Buildings and Other Structures	260,000
Furniture, Fixtures and Books Outlay	900
Total Capital Outlays	276,437
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TOTAL NEW APPROPRIATIONS	1,178,988
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B. GOVERNMENT ARSENAL

For general administration and support, and operations, as indicated hereunder..... P 1,519,876,000  
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New Appropriations, by Program  
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		Current Operating Expenditures			
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		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
			Operating		
			Expenses		
		-----	-----	-----	-----
A. REGULAR PROGRAMS					
10000000000000	General Administration and Support	P 85,805,000	P 61,277,000	P	P 147,082,000
30000000000000	Operations	261,981,000	1,010,813,000	100,000,000	1,372,794,000
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	SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	261,981,000	1,010,813,000	100,000,000	1,372,794,000
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	TOTAL NEW APPROPRIATIONS	P 347,786,000	P 1,072,090,000	P 100,000,000	P 1,519,876,000
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Special Provision(s)

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Government Arsenal (GA) infirmary shall be deposited in an authorized government depository bank and used to augment the infirmary's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from avallment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be 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, s. 1987, and to appropriate criminal action under existing penal laws.

The GA shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The Director of GA and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the GA's website.

2. Authority to Barter and Sell Scrap Items. The Director of GA, upon approval of the Secretary of National Defense, may barter or sell scrap items in accordance with E.O. No. 888, s. 1983, as amended. The barter and sale of scrap items shall be subject to the COA rules on the disposal of government properties and sale through public auction. The items acquired from barter shall be recorded or booked-up as government property while proceeds from the sale shall accrue to the Revised AFP Modernization Act Trust Fund pursuant to Section 6 of R.A. No. 10349.

3. Reporting and Posting Requirements. The GA shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) GA's website.

The GA shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

4. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
<b>REGULAR PROGRAMS</b>					
10000000000000	General Administration and Support				
10000100001000	General management and supervision	P 70,842,000	P 61,277,000		P 132,119,000
10000100002000	Administration of Personnel Benefits	14,963,000			14,963,000
Sub-total, General Administration and Support		85,805,000	61,277,000		147,082,000
30000000000000	Operations				
31010000000000	SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	261,981,000	1,010,813,000	100,000,000	1,372,794,000

310100100001000	Planning and development of arms manufacturing processes and procedures	13,444,000	4,827,000		18,271,000
310100100002000	Manufacture, storage and security of small arms ammunition	248,537,000	1,005,986,000	100,000,000	1,354,523,000
Sub-total, Operations		261,981,000	1,010,813,000	100,000,000	1,372,794,000
TOTAL NEW APPROPRIATIONS		P 347,786,000	P 1,072,090,000	P 100,000,000	P 1,519,876,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

151,986

Total Permanent Positions

151,986

Other Compensation Common to All

Personnel Economic Relief Allowance

13,776

Representation Allowance

582

Transportation Allowance

582

Clothing and Uniform Allowance

3,444

Mid-Year Bonus - Civilian

12,666

Year End Bonus

12,666

Cash Gift

2,870

Productivity Enhancement Incentive

2,870

Step Increment

380

Total Other Compensation Common to All

49,836

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

300

Magna Carta for Science & Technology Personnel

68,793

Quarters Allowance

1,347

Night Shift Differential Pay

5,231

Lump-sum for filling of Positions - Civilian

5,526

Total Other Compensation for Specific Groups

81,197

Other Benefits

PAG-IBIG Contributions

689

PhilHealth Contributions

3,405

Employees Compensation Insurance Premiums

689

Loyalty Award - Civilian

290

Terminal Leave

9,437

Total Other Benefits

14,510

Non-Permanent Positions

50,257

Total Personnel Services	347,786
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Maintenance and Other Operating Expenses	
Travelling Expenses	7,359
Training and Scholarship Expenses	5,279
Supplies and Materials Expenses	912,383
Utility Expenses	40,659
Communication Expenses	2,000
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	125
Professional Services	3,626
General Services	45,292
Repairs and Maintenance	33,504
Taxes, Insurance Premiums and Other Fees	19,458
Other Maintenance and Operating Expenses	
Advertising Expenses	356
Printing and Publication Expenses	76
Representation Expenses	721
Transportation and Delivery Expenses	1,073
Subscription Expenses	179
Total Maintenance and Other Operating Expenses	1,072,090
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TOTAL CURRENT OPERATING EXPENDITURES	1,419,876
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Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	100,000
Total Capital Outlays	100,000
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TOTAL NEW APPROPRIATIONS	1,519,876
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C. NATIONAL DEFENSE COLLEGE OF THE PHILIPPINES

For general administration and support, and operations, as indicated hereunder.....P 126,729,000  
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New Appropriations, by Program  
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		Current Operating Expenditures			
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		Personnel	Maintenance and Other	Capital	
		Services	Operating	Outlays	Total
		-----	-----	-----	-----
A. REGULAR PROGRAMS					
10000000000000	General Administration and Support	P 28,589,000	P 28,741,000	P 5,800,000	P 63,130,000

3000000000000000	Operations	24,091,000	39,508,000		63,599,000
		-----	-----	-----	-----
	NATIONAL DEFENSE AND SECURITY POLICY STUDIES PROGRAM	10,228,000	9,361,000		19,589,000
	NATIONAL DEFENSE AND SECURITY EDUCATION PROGRAM	13,863,000	30,147,000		44,010,000
		-----	-----	-----	-----
	TOTAL NEW APPROPRIATIONS	P 52,680,000	P 68,249,000	P 5,800,000	P 126,729,000
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## Special Provision(s)

1. Reporting and Posting Requirements. The National Defense College of the Philippines (NDCP) shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- URS or other electronic means for reports not covered by the URS; and
- NDCP's website.

The NDCP shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

2. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

## New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
		-----	-----	-----	-----
REGULAR PROGRAMS					
1000000000000000	General Administration and Support				
100000100001000	General management and supervision	P 26,068,000	P 28,741,000	P 5,800,000	P 60,609,000
		-----	-----	-----	-----
100000100002000	Administration of Personnel Benefits	2,521,000			2,521,000
		-----	-----	-----	-----
	Sub-total, General Administration and Support	28,589,000	28,741,000	5,800,000	63,130,000
		-----	-----	-----	-----
3000000000000000	Operations				
3101000000000000	NATIONAL DEFENSE AND SECURITY POLICY STUDIES PROGRAM	10,228,000	9,361,000		19,589,000
		-----	-----	-----	-----
310100100001000	Conduct of national defense and strategic international studies	10,228,000	9,361,000		19,589,000
		-----	-----	-----	-----
3102000000000000	NATIONAL DEFENSE AND SECURITY EDUCATION PROGRAM	13,863,000	30,147,000		44,010,000
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310200100001000	Conduct of graduate level and other courses of studies including P20,000,000 for the Executive Master in National Security Administration (E-MNSA)	13,863,000	30,147,000	44,010,000
310200100002000	Conduct of graduate level and other courses of studies including P10,000,000 for the Executive Master in National Security Administration (E-MNSA)			
Sub-total, Operations		24,091,000	39,508,000	63,599,000
TOTAL NEW APPROPRIATIONS		P 52,680,000	P 68,249,000	P 5,800,000 P 126,729,000

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

Basic Salary

28,386

Total Permanent Positions

28,386

## Other Compensation Common to All

Personnel Economic Relief Allowance

1,416

Representation Allowance

270

Transportation Allowance

270

Clothing and Uniform Allowance

354

Honoraria

6,743

Mid-Year Bonus - Civilian

2,365

Year End Bonus

2,365

Cash Gift

295

Productivity Enhancement Incentive

295

Step Increment

71

Total Other Compensation Common to All

14,444

## Other Compensation for Specific Groups

Lump-sum for filling of Positions - Civilian

1,852

Anniversary Bonus - Civilian

210

Total Other Compensation for Specific Groups

2,062

## Other Benefits

PAG-IBIG Contributions

71

PhilHealth Contributions

587

Employees Compensation Insurance Premiums

71

Terminal Leave

669

Total Other Benefits

1,398

Non-Permanent Positions	6,390
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Total Personnel Services	52,680
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Maintenance and Other Operating Expenses	
Travelling Expenses	1,785
Training and Scholarship Expenses	21,691
Supplies and Materials Expenses	14,057
Utility Expenses	240
Communication Expenses	1,805
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	108
Professional Services	8,977
General Services	7,828
Repairs and Maintenance	1,659
Taxes, Insurance Premiums and Other Fees	6,121
Other Maintenance and Operating Expenses	
Printing and Publication Expenses	633
Representation Expenses	1,637
Rent/Lease Expenses	1,373
Membership Dues and Contributions to Organizations	5
Subscription Expenses	330
Total Maintenance and Other Operating Expenses	68,249
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TOTAL CURRENT OPERATING EXPENDITURES	120,929
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Capital Outlays	
Property, Plant and Equipment Outlay	
Transportation Equipment Outlay	5,800
Total Capital Outlays	5,800
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TOTAL NEW APPROPRIATIONS	126,729
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D. OFFICE OF CIVIL DEFENSE

For general administration and support, and operations, as indicated hereunder..... P 1,474,577,000  
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New Appropriations, by Program

		Current Operating Expenditures			
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		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
		-----	Operating	-----	-----
			Expenses		
			-----		
A. REGULAR PROGRAMS					
10000000000000	General Administration and Support	P 79,091,000	P 53,149,000	P 13,404,000	P 145,644,000

30000000000000000000	Operations	271,273,000	824,767,000	132,893,000	1,228,933,000
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	CIVIL PROTECTION PROGRAM	271,273,000	824,767,000	132,893,000	1,228,933,000
		-----	-----	-----	-----
	Total, Regular Programs	P 350,364,000	P 877,916,000	P 146,297,000	P 1,374,577,000
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B. PROJECT(S)

	Locally-Funded Project(s)			100,000,000	100,000,000
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	Total, Project(s)			100,000,000	100,000,000
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	TOTAL NEW APPROPRIATIONS	P 350,364,000	P 877,916,000	P 246,297,000	P 1,474,577,000
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Special Provision(s)

1. Quick Response Fund. The amount of Five Hundred Million Pesos (P500,000,000) appropriated herein for the Quick Response Fund (QRF) shall serve as a stand-by fund to be used for response, early recovery and initiatory rehabilitation and recovery programs and projects in order that the situation and living conditions of people in communities or areas affected by natural or human-induced calamities, epidemics, crises, and catastrophes, which occurred in the last quarter of the immediately preceding year and those occurring during the current year may be normalized as quickly as possible. This includes the pre-positioning of resources and other anticipatory actions for an emergency situations.

In no case shall the QRF be used for pre-disaster activities, such as conduct of training, insurance of assets, and public information and education initiatives, or any other purpose not authorized in this Act.

2. Reporting and Posting Requirements. The Office of Civil Defense (OCD) shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) OCD's website.

The OCD shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

3. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
			Operating		
			Expenses		
		-----	-----	-----	-----
REGULAR PROGRAMS					
10000000000000000000	General Administration and Support				
100000100001000	General management and supervision	P 76,382,000	P 53,149,000	P 13,404,000	P 142,935,000
100000100002000	Administration of Personnel Benefits	2,709,000			2,709,000
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Sub-total, General Administration and Support	79,091,000	53,149,000	13,404,000	145,644,000
30000000000000000000 Operations				
31010000000000000000 CIVIL PROTECTION PROGRAM	271,273,000	824,767,000	132,893,000	1,228,933,000
31010100000000000000 CIVIL DEFENSE ENHANCEMENT SUB-PROGRAM	134,315,000	146,297,000		280,612,000
3101011000010000 Enhancement, Capacity Development and Mobilization for Civil Defense	134,315,000	146,297,000		280,612,000
31010200000000000000 DISASTER RISK REDUCTION AND MANAGEMENT SUB-PROGRAM	136,958,000	291,767,000	19,596,000	448,321,000
3101021000010000 Empowering Sectors on DRRM for Resiliency	136,958,000	291,767,000	19,596,000	448,321,000
31010300000000000000 DISASTER MANAGEMENT OPERATIONS SUB-PROGRAM		386,703,000	113,297,000	500,000,000
3101031000010000 Disaster Response Operation		386,703,000	113,297,000	500,000,000
Sub-total, Operations	271,273,000	824,767,000	132,893,000	1,228,933,000
Total, Regular Programs	350,364,000	877,916,000	146,297,000	1,374,577,000
PROJECT(S)				
Locally-Funded Project(s)				
1000002000010000 Construction of Building and Warehouse in Tacloban City			100,000,000	100,000,000
Sub-total, Locally-Funded Project(s)			100,000,000	100,000,000
Total, Project(s)			100,000,000	100,000,000
TOTAL NEW APPROPRIATIONS	P 350,364,000	P 877,916,000	P 246,297,000	P 1,474,577,000

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

Basic Salary

265,930

Total Permanent Positions

265,930

## Other Compensation Common to All

Personnel Economic Relief Allowance

13,200

Representation Allowance

3,744

Transportation Allowance

3,744

Clothing and Uniform Allowance	3,300
Mid-Year Bonus - Civilian	22,161
Year End Bonus	22,161
Cash Gift	2,750
Productivity Enhancement Incentive	2,750
Step Increment	665
Total Other Compensation Common to All	74,475
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Other Benefits	
PAG-IBIG Contributions	659
PhilHealth Contributions	5,746
Employees Compensation Insurance Premiums	659
Loyalty Award - Civilian	186
Terminal Leave	2,709
Total Other Benefits	9,959
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Total Personnel Services	350,364
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Maintenance and Other Operating Expenses	
Travelling Expenses	41,949
Training and Scholarship Expenses	168,230
Supplies and Materials Expenses	38,330
Utility Expenses	6,793
Communication Expenses	23,797
Awards/Rewards and Prizes	7,079
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	2,269
Professional Services	2,640
General Services	6,006
Repairs and Maintenance	9,730
Financial Assistance/Subsidy	386,703
Taxes, Insurance Premiums and Other Fees	3,194
Other Maintenance and Operating Expenses	
Advertising Expenses	1,454
Printing and Publication Expenses	2,150
Representation Expenses	17,857
Transportation and Delivery Expenses	1,064
Rent/Lease Expenses	8,972
Subscription Expenses	848
Donations	72
Other Maintenance and Operating Expenses	148,779
Total Maintenance and Other Operating Expenses	877,916
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TOTAL CURRENT OPERATING EXPENDITURES	1,228,280
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Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	127,000
Machinery and Equipment Outlay	119,297
Total Capital Outlays	246,297
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TOTAL NEW APPROPRIATIONS	1,474,577
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E. PHILIPPINE VETERANS AFFAIRS OFFICE - PROPER

For general administration and support, and operations, as indicated hereunder.....P 601,843,000  
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New Appropriations, by Program  
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		Current Operating Expenditures				
		Personnel	Maintenance	Financial	Capital	Total
		Services	and Other	Expenses	Outlays	
			Operating			
			Expenses			
<b>A. REGULAR PROGRAMS</b>						
1000000000000000	General Administration and Support	P 54,655,000	P 66,956,000	P 23,000	P 3,462,000	P 125,096,000
3000000000000000	Operations	107,259,000	369,488,000			476,747,000
	VETERANS' WELFARE AND BENEFITS ADMINISTRATION OF PROGRAM	88,915,000	321,338,000			410,253,000
	VETERANS AFFAIRS MANAGEMENT PROGRAM	4,996,000	12,006,000			17,002,000
	VETERANS MEMORIAL AND HISTORICAL PRESERVATION PROGRAM	13,348,000	36,144,000			49,492,000
	<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 161,914,000</b>	<b>P 436,444,000</b>	<b>P 23,000</b>	<b>P 3,462,000</b>	<b>P 601,843,000</b>
		=====	=====	=====	=====	=====

Special Provision(s)

1. Revolving Fund for Military Shrine Installation and Facilities. The revolving fund constituted from the entrance fees and rentals from military shrine installation and facilities, and board and lodging shall be used to cover the MOOE and Capital Outlay requirements of said facilities. Disbursements shall be made in accordance with guidelines issued by DND and budgeting, accounting and auditing rules and regulations.

Disbursements or expenditures by the Philippine Veterans Affairs Office (PVAO) in violation of the above requirements shall be 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, s. 1987, and to appropriate criminal action under existing penal laws.

2. Reporting and Posting Requirements. The PVAO shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) PVAO's website.

The PVAO shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

3. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

## New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures				
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
REGULAR PROGRAMS						
1000000000000000	General Administration and Support					
100000100001000	General management and supervision	P 51,219,000	P 66,956,000	P 23,000	P 3,462,000	P 121,660,000
100000100002000	Administration of Personnel Benefits	3,436,000				3,436,000
Sub-total, General Administration and Support		54,655,000	66,956,000	23,000	3,462,000	125,096,000
3000000000000000	Operations					
3101000000000000	VETERANS' WELFARE AND BENEFITS ADMINISTRATION OF PROGRAM	88,915,000	321,338,000			410,253,000
310100100001000	Processing of veterans' claims	72,638,000	32,786,000			105,424,000
310100100002000	Payment of veterans' benefits		266,598,000			266,598,000
310100100003000	Investigation, verification of records, strengthening of internal control system and conduct of management and system audit	16,277,000	21,954,000			38,231,000
3102000000000000	VETERANS AFFAIRS MANAGEMENT PROGRAM	4,996,000	12,006,000			17,002,000
310200100001000	Provide assistance in empowering of veterans organizations	4,996,000	12,006,000			17,002,000
3201000000000000	VETERANS MEMORIAL AND HISTORICAL PRESERVATION PROGRAM	13,348,000	36,144,000			49,492,000
320100100001000	Administration and management of national military shrines	11,658,000	28,581,000			40,239,000

320100100002000	Historical research and preservation	1,690,000	1,462,000		3,152,000
320100100003000	Celebration of veteran-related events		6,101,000		6,101,000
		-----	-----		-----
Sub-total, Operations		107,259,000	369,488,000		476,747,000
		-----	-----	-----	-----
TOTAL NEW APPROPRIATIONS		P 161,914,000	P 436,444,000	P 23,000	P 3,462,000
		=====	=====	=====	=====

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

115,030

Total Permanent Positions

115,030

Other Compensation Common to All

Personnel Economic Relief Allowance

7,896

Representation Allowance

768

Transportation Allowance

768

Clothing and Uniform Allowance

1,974

Mid-Year Bonus - Civilian

9,585

Year End Bonus

9,585

Cash Gift

1,645

Productivity Enhancement Incentive

1,645

Step Increment

288

Total Other Compensation Common to All

34,154

Other Compensation for Specific Groups

Overseas Allowance

5,251

Total Other Compensation for Specific Groups

5,251

Other Benefits

PAG-IBIG Contributions

394

PhilHealth Contributions

2,516

Employees Compensation Insurance Premiums

394

Loyalty Award - Civilian

150

Terminal Leave

3,436

Total Other Benefits

6,890

Non-Permanent Positions

589

Total Personnel Services

161,914



## Maintenance and Other Operating Expenses

Travelling Expenses	4,439
Training and Scholarship Expenses	3,192
Supplies and Materials Expenses	22,469
Utility Expenses	14,715
Communication Expenses	16,281
Awards/Rewards and Prizes	300
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	398
Professional Services	23,521
General Services	39,121
Repairs and Maintenance	16,817
Taxes, Insurance Premiums and Other Fees	935
Other Maintenance and Operating Expenses	
Advertising Expenses	398
Printing and Publication Expenses	4,487
Representation Expenses	12,522
Transportation and Delivery Expenses	72
Rent/Lease Expenses	6,719
Subscription Expenses	3,455
Donations	266,598
Other Maintenance and Operating Expenses	5

Total Maintenance and Other Operating Expenses	436,444
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## Financial Expenses

Bank Charges	23
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Total Financial Expenses	23
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TOTAL CURRENT OPERATING EXPENDITURES	598,381
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## Capital Outlays

Property, Plant and Equipment Outlay	
Machinery and Equipment Outlay	3,462

Total Capital Outlays	3,462
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TOTAL NEW APPROPRIATIONS	601,843
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F. VETERANS MEMORIAL MEDICAL CENTER

For general administration and support, and operations, as indicated hereunder.....P 2,548,374,000  
 =====

New Appropriations, by Program  
 -----

		Current Operating Expenditures			
		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
		-----	Operating	-----	-----
			Expenses		
		-----	-----	-----	-----
<b>A. REGULAR PROGRAMS</b>					
1000000000000000	General Administration and Support	P 426,637,000	P 231,757,000	P 18,765,000	P 677,159,000
3000000000000000	Operations	693,805,000	1,177,410,000		1,871,215,000
		-----	-----	-----	-----
	VETERAN HEALTH CARE PROGRAM	693,805,000	1,177,410,000		1,871,215,000
		-----	-----	-----	-----
	<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 1,120,442,000</b>	<b>P 1,409,167,000</b>	<b>P 18,765,000</b>	<b>P 2,548,374,000</b>
		=====	=====	=====	=====

Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of the Veterans Memorial Medical Center (VMMC) shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the VMMC golf club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and used to cover the expenses incurred in its operations. Any excess income from the operations of the golf course may be used to augment the hospital's MOOE and Capital Outlay requirements.

In no case shall income from hospital and golf course operations be used for the payment of salaries and allowances of the hospital's permanent and regular employees.

Disbursements or expenditures by the VMMC in violation of the above requirements shall be 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, S. 1987, and to appropriate criminal action under existing penal laws.

The VMMC shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The Director of VMMC and the hospital's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the VMMC's website.

2. Reporting and Posting Requirements. The VMMC shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) VMMC's website.

The VMMC shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

3. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
1000000000000000	General Administration and Support				
100000100001000	General management and supervision	P 289,406,000	P 231,757,000	P 18,765,000	P 539,928,000
100000100002000	Administration of Personnel Benefits	137,231,000			137,231,000
Sub-total, General Administration and Support		426,637,000	231,757,000	18,765,000	677,159,000
Operations					
3101000000000000	VETERAN HEALTH CARE PROGRAM	693,805,000	1,177,410,000		1,871,215,000
310100100001000	In-Patient care	652,023,000	757,930,000		1,409,953,000
310100100002000	Out-Patient care	41,782,000	419,480,000		461,262,000
Sub-total, Operations		693,805,000	1,177,410,000		1,871,215,000
TOTAL NEW APPROPRIATIONS		P 1,120,442,000	P 1,409,167,000	P 18,765,000	P 2,548,374,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

645,021

Total Permanent Positions

645,021

Other Compensation Common to All

Personnel Economic Relief Allowance

33,300

Representation Allowance

432

Transportation Allowance

432

Clothing and Uniform Allowance

8,328

Mid-Year Bonus - Civilian

53,752

Year End Bonus

53,752

Cash Gift	6,940
Productivity Enhancement Incentive	6,940
Step Increment	1,613
Total Other Compensation Common to All	165,489
	-----
Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	146,078
Night Shift Differential Pay	4,512
Lump-sum for filling of Positions - Civilian	119,745
Total Other Compensation for Specific Groups	270,335
	-----
Other Benefits	
PAG-IBIG Contributions	1,665
PhilHealth Contributions	14,404
Employees Compensation Insurance Premiums	1,665
Loyalty Award - Civilian	1,008
Terminal Leave	17,486
Total Other Benefits	36,228
	-----
Non-Permanent Positions	3,369
	-----
Total Personnel Services	1,120,442
	-----
Maintenance and Other Operating Expenses	
Travelling Expenses	175
Training and Scholarship Expenses	2,157
Supplies and Materials Expenses	1,203,548
Utility Expenses	112,292
Communication Expenses	1,281
Awards/Rewards and Prizes	300
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	110
Professional Services	5,560
General Services	59,856
Repairs and Maintenance	4,390
Taxes, Insurance Premiums and Other Fees	8,619
Other Maintenance and Operating Expenses	
Advertising Expenses	130
Representation Expenses	736
Rent/Lease Expenses	7,818
Membership Dues and Contributions to Organizations	30
Subscription Expenses	2,165
Total Maintenance and Other Operating Expenses	1,409,167
	-----
TOTAL CURRENT OPERATING EXPENDITURES	2,529,609
	-----
Capital Outlays	
Property, Plant and Equipment Outlay	
Machinery and Equipment Outlay	18,765
Total Capital Outlays	18,765
	-----
TOTAL NEW APPROPRIATIONS	2,548,374
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G. ARMED FORCES OF THE PHILIPPINES

G.1. PHILIPPINE ARMY (LAND FORCES)

For general administration and support, and operations, as indicated hereunder..... P 110,328,371,000  
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New Appropriations, by Program  
 -----

		Current Operating Expenditures			
		Personnel	Maintenance and Other	Capital	Total
		Services	Operating Expenses	Outlays	
		-----	-----	-----	-----
A. REGULAR PROGRAMS					
1000000000000000	General Administration and Support	P 5,915,852,000	P 1,193,253,000	P	P 7,109,105,000
3000000000000000	Operations	84,562,917,000	16,679,994,000	1,976,355,000	103,219,266,000
	LAND FORCES DEFENSE PROGRAM	84,562,917,000	16,679,994,000	1,976,355,000	103,219,266,000
	TOTAL NEW APPROPRIATIONS	P 90,478,769,000	P 17,873,247,000	P 1,976,355,000	P 110,328,371,000
		=====	=====	=====	=====

Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Army General Hospital shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from avilment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the Philippine Army Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from the operations for the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Army General Hospital and other Philippine Army treatment facilities subject to the guidelines issued by the DBM and the DND.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be 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, s. 1987 and to appropriate criminal action under existing penal laws.

The Philippine Army shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The Commanding General of the Philippine Army and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Army's website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Army shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

3. Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Three Billion Eight Hundred Seventy Five Million Ninety Five Thousand Pesos (P3,875,095,000) shall be used for the payment of compensation of Citizen Armed Forces Geographical Unit (CAFGU) members and separation benefits, not exceeding one (1) year subsistence allowance in accordance with the IRR of E.O. No. 264, s.1987 and DND Circular No. 4 dated October 27, 2005.

4. Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each company of the Philippine Army may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.

5. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Army.

6. Rice Subsidy. The amount of Eight Hundred Eighty Four Million Nine Hundred Fifty Seven Thousand Pesos (P884,957,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month in the form of financial assistance to the military personnel of the Philippine Army.

7. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Army shall be used exclusively for said purposes.

8. Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Army in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Army upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.

9. Reporting and Posting Requirements. The Philippine Army shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) Philippine Army's website.

The Philippine Army shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

10. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
10000000000000	General Administration and Support				
10000100001000	General management and supervision	P 4,449,975,000	P 1,193,253,000		P 5,643,228,000
10000100002000	Administration of Personnel Benefits	1,465,877,000			1,465,877,000
Sub-total, General Administration and Support		5,915,852,000	1,193,253,000		7,109,105,000

3000000000000000	Operations				
3101000000000000	LAND FORCES DEFENSE PROGRAM	84,562,917,000	16,679,994,000	1,976,355,000	103,219,266,000
3101001000010000	Force-Level Support Services	5,611,406,000	705,405,000	157,432,000	6,474,243,000
3101001000020000	Force Development		1,211,642,000		1,211,642,000
3101001000030000	Force Sustainment	78,951,511,000	14,762,947,000	1,818,923,000	95,533,381,000
	Sub-total, Operations	84,562,917,000	16,679,994,000	1,976,355,000	103,219,266,000
		-----	-----	-----	-----
	TOTAL NEW APPROPRIATIONS	P 90,478,769,000	P 17,873,247,000	P 1,976,355,000	P 110,328,371,000
		=====	=====	=====	=====

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

399,317

Total Permanent Positions

399,317

Other Compensation Common to All

Personnel Economic Relief Allowance

31,896

Representation Allowance

300

Transportation Allowance

300

Clothing and Uniform Allowance

7,974

Honoraria

106

Mid-Year Bonus - Civilian

33,276

Year End Bonus

33,276

Cash Gift

6,645

Productivity Enhancement Incentive

6,645

Step Increment

998

Total Other Compensation Common to All

121,416

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

35,765

Longevity Pay

4,896

Lump-sum for filling of Positions - Civilian

14,922

Total Other Compensation for Specific Groups

55,583

Other Benefits

PAG-IBIG Contributions

1,595

PhilHealth Contributions

8,985

Employees Compensation Insurance Premiums

1,595

Terminal Leave

7,270

Total Other Benefits

19,445

Military/Uniformed Personnel	
Basic Pay	
Base Pay	45,479,470
Creation of New Positions	195,400
Total Basic Pay	45,674,870
	-----
Other Compensation Common to All	
Personnel Economic Relief Allowance	2,709,528
Clothing/ Uniform Allowance	1,220,130
Subsistence Allowance	10,056,208
Laundry Allowance	44,161
Quarters Allowance	591,024
Longevity Pay	11,640,892
Mid-Year Bonus - Military/Uniformed Personnel	3,789,957
Year-end Bonus	3,789,957
Cash Gift	564,485
Productivity Enhancement Incentive	564,485
Total Other Compensation Common to All	34,970,827
	-----
Other Compensation for Specific Groups	
Hazardous Duty Pay	1,828,417
Flying Pay	45,064
Hazard Duty Pay	731,573
Combat Duty Pay	3,043,008
Instructor's Duty Pay	323,933
Reservist's Pay	382,241
Medal of Valor Award	20,700
Parachutist Pay	310,901
Total Other Compensation for Specific Groups	6,685,837
	-----
Other Benefits	
Special Group Term Insurance	8,138
PAG-IBIG Contributions	135,477
PhilHealth Contributions	1,023,088
Employees Compensation Insurance Premiums	135,477
Terminal Leave	1,248,285
Other Personnel Benefits	1,009
Total Other Benefits	2,551,474
	-----
Total Personnel Services	90,478,769
	-----
Maintenance and Other Operating Expenses	
Travelling Expenses	360,169
Training and Scholarship Expenses	426,096
Supplies and Materials Expenses	10,335,323
Utility Expenses	774,419
Communication Expenses	171,179
Awards/Rewards and Prizes	1,547
Survey, Research, Exploration and Development Expenses	5,018
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	444,000
Professional Services	81,725
General Services	12,083



Repairs and Maintenance	1,866,574
Financial Assistance/Subsidy	2,570,505
Taxes, Insurance Premiums and Other Fees	63,914
Labor and Wages	76,261
Other Maintenance and Operating Expenses	
Advertising Expenses	1,686
Printing and Publication Expenses	14,464
Representation Expenses	551,999
Transportation and Delivery Expenses	54,556
Rent/Lease Expenses	13,805
Membership Dues and Contributions to Organizations	117
Subscription Expenses	18,771
Other Maintenance and Operating Expenses	29,036
 Total Maintenance and Other Operating Expenses	 17,873,247
	-----
TOTAL CURRENT OPERATING EXPENDITURES	108,352,016
	-----
Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	11,211
Buildings and Other Structures	1,173,484
Machinery and Equipment Outlay	715,502
Transportation Equipment Outlay	5,080
Furniture, Fixtures and Books Outlay	71,078
 Total Capital Outlays	 1,976,355
	-----
TOTAL NEW APPROPRIATIONS	110,328,371
	=====

G.2. PHILIPPINE AIR FORCE (AIR FORCES)

For general administration and support, and operations, as indicated hereunder.....P 35,568,675,000  
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New Appropriations, by Program

		Current Operating Expenditures			
		-----		-----	
		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
		-----	Operating	-----	-----
			Expenses		
		-----	-----	-----	-----
A. REGULAR PROGRAMS					
10000000000000	General Administration and Support	P 1,459,216,000	P 569,865,000	P	P 2,029,081,000
30000000000000	Operations	15,108,833,000	18,018,915,000	411,846,000	33,539,594,000
		-----	-----	-----	-----
	AIR FORCES DEFENSE PROGRAM	15,108,833,000	18,018,915,000	411,846,000	33,539,594,000
		-----	-----	-----	-----
	TOTAL NEW APPROPRIATIONS	P 16,568,049,000	P 18,588,780,000	P 411,846,000	P 35,568,675,000
		=====	=====	=====	=====

## Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of Philippine Air Force General Hospital shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the Philippine Air Force Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Air Force General Hospital and other Philippine Air Force treatment facilities, subject to the guidelines issued by the DBM and the DND.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be 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, s. 1987 and to appropriate criminal action under existing penal laws.

The Philippine Air Force shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Air Force's website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Air Force shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

3. Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each Philippine Air Force squadron may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.

4. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Air Force.

5. Rice Subsidy. The amount of One Hundred Sixty Nine Million Seven Hundred Five Thousand Pesos (P169,705,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Air Force.

6. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Air Force shall be used exclusively for said purposes.

7. Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Air Force in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Air Force upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.

8. Reporting and Posting Requirements. The Philippine Air Force shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) Philippine Air Force's website.

The Philippine Air Force shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

9. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
10000000000000	General Administration and Support				
10000100001000	General management and supervision	P 634,240,000	P 569,865,000		P 1,204,105,000
10000100002000	Administration of Personnel Benefits	824,976,000			824,976,000
	Sub-total, General Administration and Support	1,459,216,000	569,865,000		2,029,081,000
30000000000000 Operations					
31010000000000	AIR FORCES DEFENSE PROGRAM	15,108,833,000	18,018,915,000	411,846,000	33,539,594,000
310100100001000	Force-Level Support Services	2,831,356,000	307,062,000		3,138,418,000
310100100002000	Force Development	5,464,100,000	10,598,691,000	41,873,000	16,104,664,000
310100100003000	Force Sustainment	6,813,377,000	7,113,162,000	369,973,000	14,296,512,000
	Sub-total, Operations	15,108,833,000	18,018,915,000	411,846,000	33,539,594,000
	<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 16,568,049,000</b>	<b>P 18,588,780,000</b>	<b>P 411,846,000</b>	<b>P 35,568,675,000</b>

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

375,563

Total Permanent Positions

375,563

Other Compensation Common to All

Personnel Economic Relief Allowance

29,640

Representation Allowance

240

Transportation Allowance

240

Clothing and Uniform Allowance	7,410
Mid-Year Bonus - Civilian	31,296
Year End Bonus	31,296
Cash Gift	6,175
Productivity Enhancement Incentive	6,175
Step Increment	939
Total Other Compensation Common to All	113,411
-----	
Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	35,832
Longevity Pay	3,908
Lump-sum for filling of Positions - Civilian	21,638
Total Other Compensation for Specific Groups	61,378
-----	
Other Benefits	
PAG-IBIG Contributions	1,482
PhilHealth Contributions	8,451
Employees Compensation Insurance Premiums	1,482
Loyalty Award - Civilian	1,065
Terminal Leave	8,537
Total Other Benefits	21,017
-----	
Military/Uniformed Personnel	
Basic Pay	
Base Pay	8,207,526
Creation of New Positions	255,632
Total Basic Pay	8,463,158
-----	
Other Compensation Common to All	
Personnel Economic Relief Allowance	484,344
Clothing/ Uniform Allowance	257,829
Subsistence Allowance	1,104,911
Laundry Allowance	8,286
Quarters Allowance	104,811
Longevity Pay	1,624,609
Mid-Year Bonus - Military/Uniformed Personnel	683,962
Year-end Bonus	683,962
Cash Gift	100,905
Productivity Enhancement Incentive	100,905
Total Other Compensation Common to All	5,154,524
-----	
Other Compensation for Specific Groups	
Hazardous Duty Pay	260,976
Flying Pay	724,738
Hazard Duty Pay	130,774
Hardship Allowance	23,113
Combat Duty Pay	311,364
Instructor's Duty Pay	69,854
Reservist's Pay	60,163
Medal of Valor Award	1,800
Specialist's Pay	2,603
Parachutist Pay	19,952
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)	396,896
Total Other Compensation for Specific Groups	2,002,233
-----	

Other Benefits	
Special Group Term Insurance	1,454
PAG-IBIG Contributions	24,219
PhilHealth Contributions	184,600
Employees Compensation Insurance Premiums	24,219
Terminal Leave	142,273
Total Other Benefits	376,765
	-----
Total Personnel Services	16,568,049
	-----
Maintenance and Other Operating Expenses	
Travelling Expenses	382,073
Training and Scholarship Expenses	199,158
Supplies and Materials Expenses	5,488,407
Utility Expenses	439,306
Communication Expenses	59,582
Awards/Rewards and Prizes	1,644
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	17,000
Professional Services	11,325
General Services	4,785
Repairs and Maintenance	11,259,820
Financial Assistance/Subsidy	175,057
Taxes, Insurance Premiums and Other Fees	22,363
Other Maintenance and Operating Expenses	
Advertising Expenses	2,409
Printing and Publication Expenses	3,177
Representation Expenses	324,004
Transportation and Delivery Expenses	10,379
Rent/Lease Expenses	43,420
Membership Dues and Contributions to Organizations	87
Subscription Expenses	143,184
Donations	1,600
Total Maintenance and Other Operating Expenses	18,588,780
	-----
TOTAL CURRENT OPERATING EXPENDITURES	35,156,829
	-----
Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	7,895
Buildings and Other Structures	60,000
Machinery and Equipment Outlay	92,916
Transportation Equipment Outlay	251,035
Total Capital Outlays	411,846
	-----
TOTAL NEW APPROPRIATIONS	35,568,675
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G. 3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, as indicated hereunder.....P 34,939,904,000  
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New Appropriations, by Program  
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		Current Operating Expenditures			
		Personnel	Maintenance and Other	Capital	Total
		Services	Operating Expenses	Outlays	
		-----	-----	-----	-----
<b>A. REGULAR PROGRAMS</b>					
10000000000000	General Administration and Support	P 3,285,128,000	P 858,069,000	P 143,780,000	P 4,286,977,000
30000000000000	Operations	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
		-----	-----	-----	-----
	NAVAL FORCES DEFENSE PROGRAM	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
		-----	-----	-----	-----
	<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 21,296,554,000</b>	<b>P 12,289,383,000</b>	<b>P 1,353,967,000</b>	<b>P 34,939,904,000</b>
		=====	=====	=====	=====

Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy hospitals shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospitals for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the Philippine Navy Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Navy hospitals and other Philippine Navy treatment facilities, subject to the guidelines issued by the DBM and the DND.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be 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, s. 1987, and to appropriate criminal action under existing penal laws.

The Philippine Navy shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The Flag-Officer-In-Command of the Philippine Navy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Navy's website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Navy shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

3. Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each company or its equivalent in the Philippine Navy may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.

4. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Navy.

5. Rice Subsidy. The amount of One Hundred Ninety Nine Million Five Hundred Forty Thousand Pesos (P199,540,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Navy.

6. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Navy shall be used exclusively for said purposes.

7. Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Navy in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Navy upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.

8. Reporting and Posting Requirements. The Philippine Navy shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) Philippine Navy's website.

The Philippine Navy shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

9. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
10000000000000	General Administration and Support				
100000100001000	General management and supervision	P 1,670,922,000	P 858,069,000	P 143,780,000	P 2,672,771,000
	National Capital Region (NCR)	1,670,922,000	858,069,000	143,780,000	2,672,771,000
	Philippine Navy	1,670,922,000	858,069,000	143,780,000	2,672,771,000
100000100002000	Administration of Personnel Benefits	1,614,206,000			1,614,206,000
	National Capital Region (NCR)	1,614,206,000			1,614,206,000
	Philippine Marine Corps	117,939,000			117,939,000
	Philippine Navy	1,496,267,000			1,496,267,000
	Sub-total, General Administration and Support	3,285,128,000	858,069,000	143,780,000	4,286,977,000

3000000000000000	Operations				
3101000000000000	NAVAL FORCES DEFENSE PROGRAM	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
		-----	-----	-----	-----
310100100001000	Force-Level Support Services	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
		-----	-----	-----	-----
	National Capital Region (NCR)	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
		-----	-----	-----	-----
	Philippine Navy	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
		-----	-----	-----	-----
310100100002000	Force Development	11,090,805,000	7,119,010,000	1,022,798,000	19,232,613,000
		-----	-----	-----	-----
	National Capital Region (NCR)	11,090,805,000	7,119,010,000	1,022,798,000	19,232,613,000
		-----	-----	-----	-----
	Philippine Marine Corps	7,267,169,000	1,343,194,000	138,087,000	8,748,450,000
		-----	-----	-----	-----
	Philippine Navy	3,823,636,000	5,775,816,000	884,711,000	10,484,163,000
		-----	-----	-----	-----
310100100003000	Force Sustainment	670,321,000	691,841,000		1,362,162,000
		-----	-----	-----	-----
	National Capital Region (NCR)	670,321,000	691,841,000		1,362,162,000
		-----	-----	-----	-----
	Philippine Navy	670,321,000	691,841,000		1,362,162,000
		-----	-----	-----	-----
	Sub-total, Operations	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
		-----	-----	-----	-----
	TOTAL NEW APPROPRIATIONS	P 21,296,554,000	P 12,289,383,000	P 1,353,967,000	P 34,939,904,000
		=====	=====	=====	=====

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

## Basic Salary

335,361

## Total Permanent Positions

335,361

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## Other Compensation Common to All

## Personnel Economic Relief Allowance

27,000

## Representation Allowance

180

## Transportation Allowance

180

## Clothing and Uniform Allowance

6,750

## Mid-Year Bonus - Civilian

27,947

## Year End Bonus

27,947

## Cash Gift

5,625

## Productivity Enhancement Incentive

5,625

## Step Increment

839

## Total Other Compensation Common to All

102,093

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Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	18,263
Longevity Pay	4,229
Lump-sum for filling of Positions - Civilian	5,608
Anniversary Bonus - Civilian	76,188
Total Other Compensation for Specific Groups	104,288
	-----
Other Benefits	
PAG-IBIG Contributions	1,349
PhilHealth Contributions	7,542
Employees Compensation Insurance Premiums	1,349
Loyalty Award - Civilian	255
Terminal Leave	3,927
Total Other Benefits	14,422
	-----
Military/Uniformed Personnel	
Basic Pay	
Base Pay	10,054,225
Total Basic Pay	10,054,225
	-----
Other Compensation Common to All	
Personnel Economic Relief Allowance	582,504
Clothing/ Uniform Allowance	200,936
Subsistence Allowance	1,328,846
Laundry Allowance	9,992
Quarters Allowance	131,451
Longevity Pay	2,387,723
Mid-Year Bonus - Military/Uniformed Personnel	837,853
Year-end Bonus	837,853
Cash Gift	121,355
Productivity Enhancement Incentive	121,355
Total Other Compensation Common to All	6,559,868
	-----
Other Compensation for Specific Groups	
Hazardous Duty Pay	546,005
Flying Pay	147,144
Overseas Allowance	15,964
Sea Duty Pay	537,793
Hazard Duty Pay	157,269
Hardship Allowance	294,101
Combat Duty Pay	346,680
Instructor's Duty Pay	101,511
Reservist's Pay	39,677
Medal of Valor Award	6,300
Specialist's Pay	305
Parachutist Pay	36,391
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)	1,163,088
Total Other Compensation for Specific Groups	3,392,228
	-----
Other Benefits	
Special Group Term Insurance	1,746
PAG-IBIG Contributions	29,126
PhilHealth Contributions	232,488
Employees Compensation Insurance Premiums	29,126
Terminal Leave	441,583
Total Other Benefits	734,069
	-----
Total Personnel Services	21,296,554
	-----

## Maintenance and Other Operating Expenses

Travelling Expenses	200,118
Training and Scholarship Expenses	230,654
Supplies and Materials Expenses	5,057,380
Utility Expenses	518,664
Communication Expenses	198,776
Awards/Rewards and Prizes	2,402
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	49,352
General Services	101,113
Repairs and Maintenance	3,521,054
Financial Assistance/Subsidy	199,540
Taxes, Insurance Premiums and Other Fees	58,946
Other Maintenance and Operating Expenses	
Advertising Expenses	142
Printing and Publication Expenses	13,698
Representation Expenses	315,034
Transportation and Delivery Expenses	5,370
Rent/Lease Expenses	1,385,811
Subscription Expenses	14,087
Other Maintenance and Operating Expenses	377,493

Total Maintenance and Other Operating Expenses	12,289,383
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TOTAL CURRENT OPERATING EXPENDITURES	33,585,937
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## Capital Outlays

Property, Plant and Equipment Outlay	
Infrastructure Outlay	207,353
Buildings and Other Structures	5,316
Machinery and Equipment Outlay	200,477
Transportation Equipment Outlay	940,821

Total Capital Outlays	1,353,967
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TOTAL NEW APPROPRIATIONS	34,939,904
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G.4. GENERAL HEADQUARTERS, AFP AND AFP-WIDE SERVICE SUPPORT UNITS (AFPWSSUS)

For general administration and support, and operations, including locally-funded project, as indicated hereunder.....P 16,278,995,000  
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New Appropriations, by Program  
 -----

Current Operating Expenditures  
 -----

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
	-----	-----	-----	-----	-----
<b>A. REGULAR PROGRAMS</b>					
10000000000000000000 General Administration and Support	P 4,966,738,000	P 440,038,000	P	P	P 5,406,776,000
30000000000000000000 Operations	2,929,076,000	5,743,124,000	19,000	2,200,000,000	10,872,219,000
	-----	-----	-----	-----	-----
JOINT FORCE PLANNING PROGRAM	391,822,000	520,647,000	19,000		912,488,000
JOINT FORCE OPERATIONS PROGRAM	713,755,000	3,396,142,000		200,000,000	4,309,897,000
JOINT FORCE CAPABILITY PROGRAM	1,823,499,000	1,826,335,000		2,000,000,000	5,649,834,000
	-----	-----	-----	-----	-----
<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 7,895,814,000</b>	<b>P 6,183,162,000</b>	<b>P 19,000</b>	<b>P 2,200,000,000</b>	<b>P 16,278,995,000</b>
	=====	=====	=====	=====	=====

Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of the AFP Medical Center shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from avilment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the Camp Aguinaldo Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from the operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of the AFP Medical Center and other General Headquarters treatment facilities, subject to the guidelines issued by the DBM and the DND.

In no case shall said income be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be 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, s. 1987, and to appropriate criminal action under existing penal laws.

The General Headquarters of the AFP shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said 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. The AFP Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the AFP's website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the AFP shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said fees and charges shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

3. Trust Receipts from Firearms License Fees. Scholarship assistance to be extended to surviving children of deceased or permanently incapacitated military personnel in accordance with R.A. No. 6963 shall be allocated from the net proceeds of the firearms license fees on a "per-request-basis". (CONDITIONAL IMPLEMENTATION- President's Veto Message, December 16, 2022, Volume I-B, pages 788-789, R.A. No. 11936)

4. Trust Receipts for the United Nations Peacekeeping Operations. The funds provided by the United Nations for the peacekeeping operations shall be used to cover the allowance, uniform, gear and equipment, weaponry and training ammunition, pre-deployment expenses, and maintenance of the Peacekeeping Training Center subject to the condition that said funds shall first be used to reimburse any advances made by the National Government to fund the foregoing requirements. Said funds shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.

5. Intelligence and Confidential Funds. No appropriations authorized under the AFP as intelligence fund shall be released or disbursed for intelligence activities, including amounts sourced from savings, unless approved by the President of the Philippines.

The use of savings to augment intelligence funds is subject to prior approval of the President of the Philippines, upon joint recommendation by the Secretary of National Defense and the Secretary of Budget and Management.

Confidential funds authorized under the AFP shall be released or disbursed only upon approval of the Secretary of National Defense.

Implementation of this provision shall be subject to COA-DBM-DILG-GCG-DND J.C. No. 2015-01 dated January 8, 2015 and such other guidelines issued by agencies concerned.

6. Bilateral Engagements. The amounts appropriated for bilateral engagements shall be administered by the General Headquarters of the AFP. Any materiel, supplies, equipment, facilities and other property received by the General Headquarters in connection with the activities undertaken pursuant to said bilateral engagements shall be booked-up as government property.

7. Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each company or its equivalent in the General Headquarters of the AFP may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.

8. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the General Headquarters of the AFP shall be used exclusively for said purposes.

9. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the General Headquarters of the AFP.

10. Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations. Expenses incurred by the General Headquarters of the AFP in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the AFP upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.

11. Rice Subsidy. The amount of Thirteen Million Seven Hundred Fifty Five Thousand Pesos (P13,755,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the General Headquarters of the AFP.

12. Reporting and Posting Requirements. The AFP shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) AFP's website.

The AFP shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

13. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

## New Appropriations, by Programs/Activities/Projects (Cash-Based)

		Current Operating Expenditures				
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
REGULAR PROGRAMS						
1000000000000000	General Administration and Support					
100000100001000	General management and supervision	P 1,818,993,000	P 440,038,000			P 2,259,031,000
	National Capital Region (NCR)	1,818,993,000	440,038,000			2,259,031,000
	General Headquarters - Proper	1,818,993,000	440,038,000			2,259,031,000
100000100002000	Administration of Personnel Benefits	3,147,745,000				3,147,745,000
	National Capital Region (NCR)	2,964,305,000				2,964,305,000
	Armed Forces of the Philippines Medical Center	94,533,000				94,533,000
	General Headquarters - Proper	2,860,982,000				2,860,982,000
	Presidential Security Group	8,790,000				8,790,000
	Cordillera Administrative Region (CAR)	183,440,000				183,440,000
	Philippine Military Academy	183,440,000				183,440,000
	Sub-total, General Administration and Support	4,966,738,000	440,038,000			5,406,776,000
3000000000000000	Operations					
3101000000000000	JOINT FORCE PLANNING PROGRAM	391,822,000	520,647,000	19,000		912,488,000

310100100001000	Military policy and strategic formulation	391,822,000	520,647,000	19,000	912,488,000
	National Capital Region (NCR)	391,822,000	520,647,000	19,000	912,488,000
	General Headquarters - Proper	391,822,000	520,647,000	19,000	912,488,000
310200000000000	JOINT FORCE OPERATIONS PROGRAM	713,755,000	3,396,142,000	200,000,000	4,309,897,000
310201000000000	JOINT FORCE OPERATIONS SUB-PROGRAM		712,989,000		712,989,000
310201100001000	Joint force combatant command		494,951,000		494,951,000
	National Capital Region (NCR)		494,951,000		494,951,000
	General Headquarters - Proper		494,951,000		494,951,000
310201100002000	Multi national /Foreign Engagements and Peace Support Operations		218,038,000		218,038,000
	National Capital Region (NCR)		218,038,000		218,038,000
	General Headquarters - Proper		218,038,000		218,038,000
310202000000000	JOINT FORCE SUPPORT OPERATIONS SUB-PROGRAM	713,755,000	2,683,153,000	200,000,000	3,596,908,000
310202100001000	Presidential Security and Protection (Presidential Security Group)	175,831,000	376,984,000		552,815,000
	National Capital Region (NCR)	175,831,000	376,984,000		552,815,000
	Presidential Security Group	175,831,000	376,984,000		552,815,000

310202100002000	Joint force support command	537,924,000	2,306,169,000	200,000,000	3,044,093,000
	National Capital Region (NCR)	537,924,000	2,306,169,000	200,000,000	3,044,093,000
	General Headquarters - Proper	537,924,000	2,306,169,000	200,000,000	3,044,093,000
310300000000000	JOINT FORCE CAPABILITY PROGRAM	1,823,499,000	1,826,335,000	2,000,000,000	5,649,834,000
310301000000000	JOINT FORCE SERVICE SUPPORT OPERATIONS SUB-PROGRAM	52,400,000	270,560,000	2,000,000,000	2,322,960,000
310301100001000	Joint Force Support Units	50,338,000	98,371,000		148,709,000
	National Capital Region (NCR)	50,338,000	98,371,000		148,709,000
	General Headquarters - Proper	50,338,000	98,371,000		148,709,000
310301100002000	Reserve Force Development	2,062,000	41,814,000		43,876,000
	National Capital Region (NCR)	2,062,000	41,814,000		43,876,000
	General Headquarters - Proper	2,062,000	41,814,000		43,876,000
310301100003000	Ordnance Build-up/Strategic Lift and mobility		130,375,000	2,000,000,000	2,130,375,000
	National Capital Region (NCR)		130,375,000	2,000,000,000	2,130,375,000
	General Headquarters - Proper		130,375,000	2,000,000,000	2,130,375,000
310302000000000	MILITARY MEDICAL AND TRAINING SUPPORT SUB-PROGRAM	1,771,099,000	1,555,775,000		3,326,874,000
310302100001000	Tertiary Health Care (AFP Medical Center)	713,806,000	1,283,565,000		1,997,371,000

	National Capital Region (NCR)	713,806,000	1,283,565,000		1,997,371,000
	Armed Forces of the Philippines Medical Center	713,806,000	1,283,565,000		1,997,371,000
310302100002000	Post-commission training program	4,866,000	33,150,000		38,016,000
	National Capital Region (NCR)	4,866,000	33,150,000		38,016,000
	General Headquarters - Proper	4,866,000	33,150,000		38,016,000
310302100003000	Pre-Commission Officer Training (Philippine Military Academy)	1,052,427,000	239,060,000		1,291,487,000
	Cordillera Administrative Region (CAR)	1,052,427,000	239,060,000		1,291,487,000
	Philippine Military Academy	1,052,427,000	239,060,000		1,291,487,000
Sub-total, Operations		2,929,076,000	5,743,124,000	19,000	2,200,000,000
TOTAL NEW APPROPRIATIONS	P	7,895,814,000	P 6,183,162,000	P 19,000	P 2,200,000,000
		=====	=====	=====	=====

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

915,710

Total Permanent Positions

915,710

Other Compensation Common to All

Personnel Economic Relief Allowance

69,264

Representation Allowance

540

Transportation Allowance

540

Clothing and Uniform Allowance

17,316

Mid-Year Bonus - Civilian

76,310

Year End Bonus

76,310

Cash Gift

14,430

Productivity Enhancement Incentive

14,430



Step Increment	2,290
Total Other Compensation Common to All	271,430
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Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	95,413
Lump-sum for filling of Positions - Civilian	106,509
Total Other Compensation for Specific Groups	201,922
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Other Benefits	
PAG-IBIG Contributions	3,464
PhilHealth Contributions	20,580
Employees Compensation Insurance Premiums	3,464
Loyalty Award - Civilian	1,065
Terminal Leave	21,017
Total Other Benefits	49,590
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Non-Permanent Positions	11,371
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Military/Uniformed Personnel	
Basic Pay	
Base Pay	1,780,844
Total Basic Pay	1,780,844
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Other Compensation Common to All	
Personnel Economic Relief Allowance	70,906
Clothing/ Uniform Allowance	75,502
Subsistence Allowance	217,326
Laundry Allowance	2,128
Quarters Allowance	13,285
Longevity Pay	408,042
Mid-Year Bonus - Military/Uniformed Personnel	148,068
Year-end Bonus	148,068
Cash Gift	14,770
Productivity Enhancement Incentive	14,770
Total Other Compensation Common to All	1,112,865
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Other Compensation for Specific Groups	
Hazardous Duty Pay	27,518
Special Duty Allowance	78,612
Overseas Allowance	252,052
Combat Incentive Pay	10,000
Hazard Duty Pay	15,746
Combat Duty Pay	3,420
Incentive Pay	57,593
Instructor's Duty Pay	39,437
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)	339,453
Total Other Compensation for Specific Groups	823,831
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Other Benefits	
Special Group Term Insurance	215
PAG-IBIG Contributions	3,546
PhilHealth Contributions	40,179
Employees Compensation Insurance Premiums	3,545
Retirement Gratuity	2,680,766
Total Other Benefits	2,728,251
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Total Personnel Services	7,895,814
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## Maintenance and Other Operating Expenses

Travelling Expenses	329,449
Training and Scholarship Expenses	196,268
Supplies and Materials Expenses	2,140,998
Utility Expenses	690,155
Communication Expenses	132,677
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	1,240,649
Professional Services	127,252
General Services	141,234
Repairs and Maintenance	425,808
Financial Assistance/Subsidy	13,520
Taxes, Insurance Premiums and Other Fees	32,551
Labor and Wages	19,539
Other Maintenance and Operating Expenses	
Advertising Expenses	1,948
Printing and Publication Expenses	13,303
Representation Expenses	506,878
Transportation and Delivery Expenses	12,091
Rent/Lease Expenses	60,027
Membership Dues and Contributions to Organizations	856
Subscription Expenses	25,030
Other Maintenance and Operating Expenses	72,929
 Total Maintenance and Other Operating Expenses	 6,183,162
	-----
Financial Expenses	
Bank Charges	19
 Total Financial Expenses	 19
	-----
TOTAL CURRENT OPERATING EXPENDITURES	14,078,995
	-----
Capital Outlays	
Property, Plant and Equipment Outlay	
Machinery and Equipment Outlay	2,200,000
 Total Capital Outlays	 2,200,000
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TOTAL NEW APPROPRIATIONS	16,278,995
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GENERAL SUMMARY  
DEPARTMENT OF NATIONAL DEFENSE

		Current Operating Expenditures				
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
A.	OFFICE OF THE SECRETARY - PROPER	P 227,034,000	P 675,517,000	P	P 276,437,000	P 1,178,988,000
B.	GOVERNMENT ARSENAL	347,786,000	1,072,090,000		100,000,000	1,519,876,000
C.	NATIONAL DEFENSE COLLEGE OF THE PHILIPPINES	52,680,000	68,249,000		5,800,000	126,729,000
D.	OFFICE OF CIVIL DEFENSE	350,364,000	877,916,000		246,297,000	1,474,577,000
E.	PHILIPPINE VETERANS AFFAIRS OFFICE PROPER	161,914,000	436,444,000	23,000	3,462,000	601,843,000
F.	VETERANS MEMORIAL MEDICAL CENTER	1,120,442,000	1,409,167,000		18,765,000	2,548,374,000
G.	ARMED FORCES OF THE PHILIPPINES	136,239,186,000	54,934,572,000	19,000	5,942,168,000	197,115,945,000
G.1.	PHILIPPINE ARMY (LAND FORCES)	90,478,769,000	17,873,247,000		1,976,355,000	110,328,371,000
G.2.	PHILIPPINE AIR FORCE (AIR FORCES)	16,568,049,000	18,588,780,000		411,846,000	35,568,675,000
G.3.	PHILIPPINE NAVY (NAVAL FORCES)	21,296,554,000	12,289,383,000		1,353,967,000	34,939,904,000
G.4.	GENERAL HEADQUARTERS, AFP AND AFP-WIDE SERVICE SUPPORT UNITS (AFPWSSUS)	7,895,814,000	6,183,162,000	19,000	2,200,000,000	16,278,995,000
TOTAL NEW APPROPRIATIONS, DEPARTMENT OF NATIONAL DEFENSE		P 138,499,406,000	P 59,473,955,000	P 42,000	P 6,592,929,000	P 204,566,332,000