



**DEPARTMENT OF BUDGET AND MANAGEMENT AND
DEPARTMENT OF NATIONAL DEFENSE-
PHILIPPINE VETERANS AFFAIRS OFFICE**



JOINT IMPLEMENTING RULES AND REGULATIONS (IRR) NO. 1

FOR : Officials of the Department of Budget and Management and the Department of National Defense – Philippine Veterans Affairs Office and All Others Concerned

SUBJECT : Guidelines on the Payment of the Total Administrative Disability Pension in Compliance with the President's Budget Action Message Incorporated under R.A. No. 10717 (FY 2016 General Appropriations Act)

1.0 BACKGROUND

- 1.1 On 09 April 1994, Republic Act No. 7696 was passed into law providing additional veterans' benefits, including the entitlement of Total Administrative Disability (TAD) pension at the rate of one thousand seven hundred pesos (Php 1,700.00) per month upon reaching the age of seventy (70) years old. However, the requirement was included in the General Appropriations Act (GAA) only in 2010 in the amount of P170 Million and with priority given to 30,273 surviving WWII veterans aged 80 years old and above.
- 1.2 In FY 2013, payment for the remaining balance of TAD amounting to P2.88 Billion covering arrearages from FYs 1994-2002 due to living WWII Veterans was released. Also an amount of P4.2 Billion from the generated savings of PVAO was used to pay for arrearages covering FYs 2003-2009. However, there are WWII veterans who died before they could be paid TAD arrears. Therefore, the payment of TAD arrears for surviving spouses of deceased WWII veterans and living post WWII veterans were included in FY 2016 General Appropriations Act (GAA).
- 1.3 An amount of P4.773 Billion was appropriated under the PGF to cover the payment of: among others, *war veterans with total administrative disability (TAD) and are at least eighty (80) years of age; TAD arrears to surviving spouses of deceased WWII veterans; and partial payment for TAD arrears for living post WWII veterans who are at least eighty (80) years of age by 2016.*
- 1.4 Likewise, the Unprogrammed Fund in pages 775 to 776 of R.A. No. 10717 provides the amount of Php 1,323,000,000.00 for the payment of Total Administrative Disability of living Post WWII Veterans.
- 1.5 The aforementioned provisions were subject to the President's Budget Action Message as specified in page 818 of R.A 10717, specifically Item Number 4 under the "Pension and Gratuity Fund and Unprogrammed Appropriations," which provides that *to ensure the equitable allocation of the amounts appropriated for TAD under the aforementioned provisions, the Department of Budget and Management (DBM) and Department of National Defense –Philippine Veterans Affairs Office (DND-PVAO) shall issue the Implementing Rules and Regulations with due regard for the pending measures on pension reforms in the government.*

2.0 PURPOSE

This Joint Circular is being issued to provide the guidelines and procedures on the payment of TAD pension arrears in the amount of P1,700.00/month to veterans consistent with the requirements of the President's Budget Action Message under R.A. No. 10717.

3.0 COVERAGE

These guidelines shall cover the payment of TAD arrears to:

- 3.1 Surviving Spouses of deceased World War II veterans; and
- 3.2 Living Post World War II veterans i.e., veterans of the Philippine Expeditionary Forces to Korea (PEFTOK) and the Philippine Civic Action Group (PHILCAG) based on the list to be submitted by PVAO; and
- 3.3 AFP military retirees who are at least 80 years of age by 2016.

4.0 GENERAL GUIDELINES

- 4.1 The amount appropriated for TAD pension arrears shall be allocated among the surviving spouses of deceased World War II veterans, regardless of their age, and post WWII Veterans who are at least eighty (80) years of age by 2016 based on the list submitted by PVAO.
- 4.2 Priority of payment shall be made to surviving spouses of deceased WWII veterans who shall receive a one-time payment of TAD arrears equivalent to One Thousand Seven Hundred Pesos (Php1,700.00) multiplied by the number of months the World War II Veteran is entitled. The said entitlement is computed from either the enactment of Republic Act 7696 in 09 April 1994 or from the time the WWII veteran reached the age of seventy (70), whichever comes later, up to the death of the said veteran.
- 4.3 On the other hand, Post World War II Veterans as defined under item 3.2 of this IRR, shall receive a one-time payment of TAD arrears equivalent to One Thousand Seven Hundred Pesos (Php1,700.00) multiplied by the number of months the Post World War II Veteran is entitled. The said entitlement, in this case, is computed either from the enactment of Republic Act 7696 in 09 April 1994 or from the time the veteran reached the age of seventy (70), whichever comes later, up to December 2015.
- 4.4 PVAO shall prioritize payment of TAD arrears and settle the requirements of surviving spouses of deceased veterans.

5.0 SPECIFIC GUIDELINES

- 5.1 PVAO shall submit to DBM a Special Budget Request for the release of funds supported with the following:
 - 5.1.1 Inventory of WWII veterans classifying those who received monthly TAD pension and those who have died prior to the grant of their TAD.
 - 5.1.2 Payroll duly signed and certified by responsible officials of PVAO.
 - 5.1.3 Monthly Disbursement Program (MCP)
- 5.2 DBM shall issue the Special Allotment Release Order (SARO) for the TAD pension arrears chargeable against the Pension and Gratuity Fund (PGF). The amount to be released shall be equivalent to the total TAD arrears requirement using the parameters stated in items 4.2 and 4.3 of this IRR. The corresponding NCA shall likewise be released based on the MDP.
- 5.3 Upon receipt of the SARO/NCA for the purpose, PVAO shall immediately pay the one time TAD pension arrears for the surviving spouses of deceased WWII veterans within thirty (30) days from the receipt thereof. Upon payment of said arrears, PVAO shall submit to DBM a disbursement/utilization report with a payroll/list of names of the beneficiaries of the payment of TAD pension arrears duly certified by the Finance Director and PVAO Administrator.

PVAO shall assume full responsibility for the veracity and accuracy of the claims for TAD pension arrears and for properly notifying the veterans concerned on any matter relative to its payment.

- 5.4 The release of funds under item 4.3 of this IRR, for payment of TAD due to Living Post WWII veterans, shall be subject to Special Provision No. 1 of the Unprogrammed Fund.

6.0 RESPONSIBILITY OF ALL CONCERNED

- 6.1 Officials/employees concerned who have caused/authorized the payment of TAD pension not in accordance with the provisions of R.A. No. 6948 (as amended by R.A. No. 7696) and R.A. No. 10717, and the guidelines set forth in this Joint Circular, shall be jointly and severally held responsible and liable for such action, without prejudice to the refund of any excess payment received by the veterans concerned.


- 6.2 Meanwhile, in accordance to the President's Budget Action Message stated in the FY 2016 General Appropriations Act, a Technical Working Group (TWG) is constituted to effectively implement the IRR for the payment of TAD arrears to the stated beneficiaries, composed of select key officials of PVAO and representatives from the DND.

7.0 GOVERNING CLAUSE

Issues arising from the implementation of this Joint Circular shall be resolved jointly by the DBM and DND-PVAO.

8.0 EFFECTIVITY

This Joint Circular shall take effect immediately.


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SECRETARY OF
NATIONAL DEFENSE



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