

I. PHILIPPINE NAVY (NAVAL FORCES)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
New General Appropriations	<u>29,053,943</u>	<u>31,552,115</u>	<u>32,691,821</u>
General Fund	29,053,943	31,552,115	32,691,821
Automatic Appropriations	<u>50,502</u>	<u>30,598</u>	<u>38,080</u>
Customs Duties and Taxes, including Tax Expenditures	42,547		
Retirement and Life Insurance Premiums	7,955	30,598	38,080
Continuing Appropriations	<u>744,830</u>	<u>1,917,528</u>	
Unreleased Appropriation for Personnel Services			
R.A. No. 11260	167,989		
R.A. No. 11465		232,079	
Unobligated Releases for Capital Outlays			
R.A. No. 11260	24,021		
R.A. No. 11465		274,468	
Unobligated Releases for MOOE			
R.A. No. 11260	189,472		
R.A. No. 11465		1,048,002	
Unobligated Releases for PS			
R.A. No. 11260	363,348		
R.A. No. 11465		362,979	
Budgetary Adjustment(s)	<u>715,344</u>		
Transfer(s) from:			
National Disaster Risk Reduction and Management Fund (Calamity Fund)	15,502		
Miscellaneous Personnel Benefits Fund	479,520		
Pension and Gratuity Fund	673,024		

Transfer(s) to: Overall Savings R.A. No. 11465	(452,702)		
Total Available Appropriations		30,564,619	33,500,241	32,729,901
Unused Appropriations	(1,945,162)	(1,917,528)
Unreleased Appropriation	(242,613)	(232,079)
Unobligated Allotment	(1,702,549)	(1,685,449)
TOTAL OBLIGATIONS		28,619,457	31,582,713	32,729,901
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**EXPENDITURE PROGRAM
(in pesos)**

GAS / STO / OPERATIONS / PROJECTS	(Cash-Based)		
	2020 Actual	2021 Current	2022 Proposed
General Administration and Support	4,476,378,000	3,194,705,000	3,277,367,000
Regular	4,476,378,000	3,194,705,000	3,277,367,000
PS	3,975,669,000	2,394,349,000	2,477,011,000
MOOE	500,709,000	800,356,000	800,356,000
Operations	24,143,079,000	28,388,008,000	29,452,534,000
Regular	24,129,170,000	27,988,008,000	29,452,534,000
PS	17,047,863,000	17,652,206,000	17,698,878,000
MOOE	6,112,861,000	8,735,095,000	9,934,360,000
CO	968,446,000	1,600,707,000	1,819,296,000
Projects / Purpose	13,909,000	400,000,000	
MOOE		83,203,000	
CO	13,909,000	316,797,000	
TOTAL AGENCY BUDGET	28,619,457,000	31,582,713,000	32,729,901,000
Regular	28,605,548,000	31,182,713,000	32,729,901,000
PS	21,023,532,000	20,046,555,000	20,175,889,000
MOOE	6,613,570,000	9,535,451,000	10,734,716,000
CO	968,446,000	1,600,707,000	1,819,296,000
Projects / Purpose	13,909,000	400,000,000	
MOOE		83,203,000	
CO	13,909,000	316,797,000	

STAFFING SUMMARY

	2020	2021	2022
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,450	1,450	1,450
Total Number of Filled Positions	959	1,125	1,125
Military			
Total Number of Authorized Positions	25,260	25,260	25,260
Total Number of Filled Positions	24,366	23,771	23,771

Proposed New Appropriations Language
 For general administration and support, and operations, as indicated hereunder.....P 32,691,821,000
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PROPOSED 2022 (Cash-Based)

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
NAVAL FORCES DEFENSE PROGRAM	17,696,451,000	9,934,360,000	1,819,296,000	29,450,107,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2022 (Cash-Based)
 (in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	20,137,809,000	10,734,716,000	1,819,296,000	32,691,821,000
National Capital Region (NCR)	20,137,809,000	10,734,716,000	1,819,296,000	32,691,821,000
TOTAL AGENCY BUDGET	20,137,809,000	10,734,716,000	1,819,296,000	32,691,821,000

SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy 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 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.

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 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. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.
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 Eighty Five Million Four Hundred Fourteen Thousand Pesos (P185,414,000) 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), by Operating Units

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
10000000000000000000	General Administration and Support	2,441,358,000	800,356,000	3,241,714,000
100000100001000	General management and supervision	1,436,136,000	800,356,000	2,236,492,000
	National Capital Region (NCR)	1,436,136,000	800,356,000	2,236,492,000
	Philippine Navy	1,436,136,000	800,356,000	2,236,492,000

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100000100002000	Administration of Personnel Benefits	<u>1,005,222,000</u>			<u>1,005,222,000</u>
	National Capital Region (NCR)	<u>1,005,222,000</u>			<u>1,005,222,000</u>
	Philippine Marine Corps	100,311,000			100,311,000
	Philippine Navy	<u>904,911,000</u>			<u>904,911,000</u>
	Sub-total, General Administration and Support	<u>2,441,358,000</u>	<u>800,356,000</u>		<u>3,241,714,000</u>
3000000000000000	Operations	<u>17,696,451,000</u>	<u>9,934,360,000</u>	<u>1,819,296,000</u>	<u>29,450,107,000</u>
3100000000000000	00 : Level of mission capability of navy units in naval operations attained	<u>17,696,451,000</u>	<u>9,934,360,000</u>	<u>1,819,296,000</u>	<u>29,450,107,000</u>
3101000000000000	NAVAL FORCES DEFENSE PROGRAM	<u>17,696,451,000</u>	<u>9,934,360,000</u>	<u>1,819,296,000</u>	<u>29,450,107,000</u>
310100100001000	Force-Level Support Services	<u>5,906,259,000</u>	<u>3,189,223,000</u>	<u>529,146,000</u>	<u>9,624,628,000</u>
	National Capital Region (NCR)	<u>5,906,259,000</u>	<u>3,189,223,000</u>	<u>529,146,000</u>	<u>9,624,628,000</u>
	Philippine Navy	5,906,259,000	3,189,223,000	529,146,000	9,624,628,000
310100100002000	Force Development	<u>11,212,921,000</u>	<u>6,058,579,000</u>	<u>1,290,150,000</u>	<u>18,561,650,000</u>
	National Capital Region (NCR)	<u>11,212,921,000</u>	<u>6,058,579,000</u>	<u>1,290,150,000</u>	<u>18,561,650,000</u>
	Philippine Marine Corps	7,220,212,000	1,301,097,000	299,087,000	8,820,396,000
	Philippine Navy	3,992,709,000	4,757,482,000	991,063,000	9,741,254,000
310100100003000	Force Sustainment	<u>577,271,000</u>	<u>686,558,000</u>		<u>1,263,829,000</u>
	National Capital Region (NCR)	<u>577,271,000</u>	<u>686,558,000</u>		<u>1,263,829,000</u>
	Philippine Navy	577,271,000	686,558,000		1,263,829,000
	Sub-total, Operations	<u>17,696,451,000</u>	<u>9,934,360,000</u>	<u>1,819,296,000</u>	<u>29,450,107,000</u>
TOTAL NEW APPROPRIATIONS		P 20,137,809,000	P 10,734,716,000	P 1,819,296,000	P 32,691,821,000
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Obligations, by Object of Expenditures

CYs 2020-2022
(In Thousand Pesos)

(Cash-Based)		
2020	2021	2022

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

291,418	254,982	317,340
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Total Permanent Positions

<u>291,418</u>	<u>254,982</u>	<u>317,340</u>
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Other Compensation Common to All			
Personnel Economic Relief Allowance	26,574	23,016	27,000
Representation Allowance	265	180	180
Transportation Allowance	125	180	180
Clothing and Uniform Allowance	6,780	5,754	6,750
Mid-Year Bonus - Civilian	23,082	21,249	26,445
Year End Bonus	23,201	21,249	26,445
Cash Gift	5,561	4,795	5,625
Productivity Enhancement Incentive	5,489	4,795	5,625
Performance Based Bonus	10,499		
Step Increment		638	794
Total Other Compensation Common to All	<u>101,576</u>	<u>81,856</u>	<u>99,044</u>
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	18,803	16,225	18,263
Longevity Pay	6,373	4,229	4,229
Lump-sum for filling of Positions - Civilian		11,936	13,719
Other Personnel Benefits	248,695		
Total Other Compensation for Specific Groups	<u>273,871</u>	<u>32,390</u>	<u>36,211</u>
Other Benefits			
Retirement and Life Insurance Premiums	7,955	30,598	38,080
PAG-IBIG Contributions	1,312	1,151	1,350
PhilHealth Contributions	4,028	3,343	5,528
Employees Compensation Insurance Premiums	1,308	1,151	1,350
Retirement Gratuity	3,961		
Loyalty Award - Civilian		255	255
Terminal Leave	11,788	5,185	6,271
Total Other Benefits	<u>30,352</u>	<u>41,683</u>	<u>52,834</u>
Military/Uniformed Personnel			
Basic Pay			
Base Pay	10,593,426	9,958,148	9,846,943
Total Basic Pay	<u>10,593,426</u>	<u>9,958,148</u>	<u>9,846,943</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	579,126	584,784	570,504
Clothing/ Uniform Allowance	148,791	194,412	200,700
Subsistence Allowance	1,240,932	1,334,038	1,301,462
Laundry Allowance	9,656	9,737	9,737
Quarters Allowance	132,003	131,458	131,458
Longevity Pay	2,228,220	2,300,220	2,287,257
Mid-Year Bonus - Military/Uniformed Personnel	825,369	829,646	820,579
Year-end Bonus	829,228	829,646	820,579
Cash Gift	119,579	122,410	118,855
Productivity Enhancement Incentive	118,543	122,410	118,855
Performance Based Bonus	442,113		
Total Other Compensation Common to All	<u>6,673,560</u>	<u>6,458,761</u>	<u>6,379,986</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	552,424	546,005	546,005
Flying Pay	69,702	147,144	147,144
Overseas Allowance	13,549	15,964	15,964
Sea Duty Pay	348,725	537,793	537,793
Hazard Duty Pay	156,154	157,892	154,036
Hardship Allowance	9,063	294,101	294,101
Combat Duty Pay	416,399	346,680	346,680
Instructor's Duty Pay	77,559	101,511	101,511
Reservist's Pay	34,337	39,677	39,677
Medal of Valor Award	6,300	6,300	6,300
Specialist's Pay		305	305
Parachutist Pay	35,397	36,391	36,391
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		469,216	670,968
Total Other Compensation for Specific Groups	<u>1,719,609</u>	<u>2,698,979</u>	<u>2,896,875</u>

Other Benefits			
Special Group Term Insurance	1,724	1,754	1,712
PAG-IBIG Contributions	28,466	29,240	28,525
PhilHealth Contributions	145,055	174,268	173,630
Employees Compensation Insurance Premiums	24,101	29,240	28,525
Retirement Gratuity	2,335		
Terminal Leave	1,138,039	285,254	314,264
Total Other Benefits	<u>1,339,720</u>	<u>519,756</u>	<u>546,656</u>
TOTAL PERSONNEL SERVICES	<u>21,023,532</u>	<u>20,046,555</u>	<u>20,175,889</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	49,109	187,064	191,693
Training and Scholarship Expenses	137,148	237,790	229,234
Supplies and Materials Expenses	3,239,429	4,326,742	4,509,674
Utility Expenses	380,882	513,687	458,687
Communication Expenses	153,611	176,242	181,514
Awards/Rewards and Prizes	48		
Survey, Research, Exploration and Development Expenses	5,000		
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	39,749	39,749	39,749
Professional Services	38,777	29,591	33,007
General Services	130,016	19,097	19,763
Repairs and Maintenance	1,863,968	3,314,743	2,998,460
Financial Assistance/Subsidy	184,298	191,092	185,414
Taxes, Insurance Premiums and Other Fees	86,262	55,777	61,018
Other Maintenance and Operating Expenses			
Printing and Publication Expenses	8,186	17,089	14,639
Representation Expenses	267,577	244,770	294,959
Transportation and Delivery Expenses	1,624	5,455	2,355
Rent/Lease Expenses	9,277	25,780	1,388,050
Subscription Expenses	221	7,408	3,908
Other Maintenance and Operating Expenses	18,388	226,578	122,592
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>6,613,570</u>	<u>9,618,654</u>	<u>10,734,716</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>27,637,102</u>	<u>29,665,209</u>	<u>30,910,605</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Infrastructure Outlay	19,500	100,000	27,078
Buildings and Other Structures	21,013		373,090
Machinery and Equipment Outlay	330,241	394,386	470,073
Transportation Equipment Outlay	609,379	1,422,321	927,121
Furniture, Fixtures and Books Outlay	1,233	797	16,126
Other Property Plant and Equipment Outlay	989		5,808
TOTAL CAPITAL OUTLAYS	<u>982,355</u>	<u>1,917,504</u>	<u>1,819,296</u>
GRAND TOTAL	<u>28,619,457</u>	<u>31,582,713</u>	<u>32,729,901</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL

OUTCOME : Level of mission capability of navy units in naval operations attained

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>2020 GAA Targets</u>	<u>Actual</u>
Level of mission capability of navy units in naval operations attained		
NAVAL FORCES DEFENSE PROGRAM		
Outcome Indicator		
1. Percentage of Naval units provided to unified commands	100%	101.53%
Output Indicators		
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	134	142
2. Number of PN units prepared for deployment	51	43
3. Number of Force-Level Support Services Units sustained	137	133

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2021 Targets</u>	<u>2022 NEP Targets</u>
Level of mission capability of navy units in naval operations attained			
NAVAL FORCES DEFENSE PROGRAM			
Outcome Indicator			
1. Percentage of Naval units provided to unified commands	100%	100%	100%
Output Indicators			
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	109	109	109
2. Number of PN units prepared for deployment	34	34	34
3. Number of Force-Level Support Services Units sustained	137	137	137