

# B. GOVERNMENT ARSENAL

## Appropriations/Obligations

(In Thousand Pesos)

	( Cash-Based )		
<u>Description</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
New General Appropriations	<u>2,071,997</u>	<u>2,564,999</u>	<u>2,354,998</u>
General Fund	2,071,997	2,564,999	2,354,998
Automatic Appropriations	<u>269,303</u>	<u>17,606</u>	<u>19,996</u>
Customs Duties and Taxes, including Tax Expenditures	250,310		
Retirement and Life Insurance Premiums	18,993	17,606	19,996
Continuing Appropriations	<u>330,388</u>	<u>1,035,001</u>	
Unobligated Releases for Capital Outlays			
R.A. No. 11936	100,000		
R.A. No. 11975		171,242	

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Unobligated Releases for MOOE			
R.A. No. 11936	230,388		
R.A. No. 11975		863,759	
Budgetary Adjustment(s)	<u>16,852</u>		
Release(s) from:			
Miscellaneous Personnel Benefits Fund	13,916		
Pension and Gratuity Fund	2,275		
Unprogrammed Appropriation			
Pension and Gratuity Fund	<u>661</u>		
Total Available Appropriations	2,688,540	3,617,606	2,374,994
Unused Appropriations	( 1,281,908)	( 1,035,001)	
Unreleased Appropriation	( 7,394)		
Unobligated Allotment	( 1,274,514)	( 1,035,001)	
TOTAL OBLIGATIONS	<u>1,406,632</u>	<u>2,582,605</u>	<u>2,374,994</u>
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EXPENDITURE PROGRAM  
(in pesos)

	(	Cash-Based	)
	2024 Actual	2025 Current	2026 Proposed
GAS / STO / OPERATIONS / PROJECTS			
General Administration and Support	<u>416,518,000</u>	<u>151,599,000</u>	<u>202,765,000</u>
Regular	<u>416,518,000</u>	<u>151,599,000</u>	<u>202,765,000</u>
PS	99,037,000	78,475,000	91,395,000
MOOE	294,534,000	61,627,000	66,253,000
CO	22,947,000	11,497,000	45,117,000
Operations	<u>990,114,000</u>	<u>2,431,006,000</u>	<u>2,172,229,000</u>
Regular	<u>990,114,000</u>	<u>2,431,006,000</u>	<u>2,172,229,000</u>
PS	252,758,000	273,255,000	285,603,000
MOOE	615,511,000	1,476,100,000	1,564,591,000
CO	121,845,000	681,651,000	322,035,000
TOTAL AGENCY BUDGET	<u>1,406,632,000</u>	<u>2,582,605,000</u>	<u>2,374,994,000</u>
Regular	<u>1,406,632,000</u>	<u>2,582,605,000</u>	<u>2,374,994,000</u>
PS	351,795,000	351,730,000	376,998,000
MOOE	910,045,000	1,537,727,000	1,630,844,000
CO	144,792,000	693,148,000	367,152,000

## STAFFING SUMMARY

	2024	2025	2026
TOTAL STAFFING			
Total Number of Authorized Positions	687	678	678
Total Number of Filled Positions	553	555	555

## Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 2,354,998,000  
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OPERATIONS BY PROGRAM	PROPOSED 2026 ( Cash-Based )			
	PS	MOOE	CO	TOTAL
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	271,196,000	1,564,591,000	322,035,000	2,157,822,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2026 ( Cash-Based ) (in pesos)				
REGION	PS	MOOE	CO	TOTAL
Regional Allocation	357,002,000	1,630,844,000	367,152,000	2,354,998,000
Region III - Central Luzon	357,002,000	1,630,844,000	367,152,000	2,354,998,000
TOTAL AGENCY BUDGET	357,002,000	1,630,844,000	367,152,000	2,354,998,000
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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 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.

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 civil and criminal actions under existing 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 until such time that all agencies have fully migrated to the BTMS; 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
A.REGULAR PROGRAMS					
1000000000000000	General Administration and Support	85,806,000	66,253,000	45,117,000	197,176,000
100000100001000	General management and supervision	79,961,000	66,253,000	45,117,000	191,331,000
100000100002000	Administration of Personnel Benefits	5,845,000			5,845,000
Sub-total, General Administration and Support		85,806,000	66,253,000	45,117,000	197,176,000
3000000000000000	Operations	271,196,000	1,564,591,000	322,035,000	2,157,822,000
3101000000000000	SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	271,196,000	1,564,591,000	322,035,000	2,157,822,000
310100100001000	Planning and development of arms manufacturing processes and procedures	11,329,000	4,667,000		15,996,000
310100100002000	Manufacture, storage and security of small arms ammunition	259,867,000	1,559,924,000	322,035,000	2,141,826,000
Sub-total, Operations		271,196,000	1,564,591,000	322,035,000	2,157,822,000
TOTAL NEW APPROPRIATIONS		P 357,002,000	P 1,630,844,000	P 367,152,000	P 2,354,998,000
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## Obligations, by Object of Expenditures

CYs 2024-2026  
(In Thousand Pesos)

	( Cash-Based )		
	2024	2025	2026
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	154,949	146,718	166,639
Total Permanent Positions	154,949	146,718	166,639
Other Compensation Common to All			
Personnel Economic Relief Allowance	13,102	13,104	13,320
Representation Allowance	801	666	594
Transportation Allowance	681	666	594
Clothing and Uniform Allowance	3,815	3,822	3,885
Mid-Year Bonus - Civilian	12,113	12,227	13,886
Year End Bonus	13,044	12,227	13,886
Cash Gift	2,800	2,730	2,775
Productivity Enhancement Incentive	2,743	2,730	2,775
Performance Based Bonus	5,605		
Step Increment		366	416
Collective Negotiation Agreement	13,615		
Total Other Compensation Common to All	68,319	48,538	52,131
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	60	300	300
Magna Carta for Science & Technology Personnel	45,964	68,793	68,793
Quarters Allowance	839	1,347	1,347
Night Shift Differential Pay	3,999	5,231	5,231
Other Personnel Benefits	13,490		
Total Other Compensation for Specific Groups	64,352	75,671	75,671
Other Benefits			
Retirement and Life Insurance Premiums	18,422	17,606	19,996
PAG-IBIG Contributions	1,257	1,311	1,331
PhilHealth Contributions	3,785	3,642	4,120
Employees Compensation Insurance Premiums	659	655	666
Loyalty Award - Civilian	505	290	290
Terminal Leave	6,801	6,990	5,845
Total Other Benefits	31,429	30,494	32,248
Non-Permanent Positions	32,746	50,309	50,309
TOTAL PERSONNEL SERVICES	351,795	351,730	376,998
Maintenance and Other Operating Expenses			
Travelling Expenses	4,106	7,807	8,041
Training and Scholarship Expenses	6,074	5,600	5,968
Supplies and Materials Expenses	528,200	1,368,988	1,411,598
Utility Expenses	26,066	43,136	44,431
Communication Expenses	1,836	2,122	2,185
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	125	125	125
Professional Services	2,424	3,626	5,509
General Services	35,693	45,292	87,803
Repairs and Maintenance	31,696	35,544	36,610
Taxes, Insurance Premiums and Other Fees	262,078	19,458	19,458

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Other Maintenance and Operating Expenses			
Advertising Expenses	35	356	356
Printing and Publication Expenses	36	80	82
Representation Expenses	1,304	765	2,068
Transportation and Delivery Expenses		1,138	1,172
Subscription Expenses		179	5,438
Other Maintenance and Operating Expenses	10,372	3,511	
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>910,045</u>	<u>1,537,727</u>	<u>1,630,844</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>1,261,840</u>	<u>1,889,457</u>	<u>2,007,842</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Buildings and Other Structures	144,792	21,000	
Machinery and Equipment Outlay		672,148	340,489
Transportation Equipment Outlay			26,663
TOTAL CAPITAL OUTLAYS	<u>144,792</u>	<u>693,148</u>	<u>367,152</u>
GRAND TOTAL	<u>1,406,632</u>	<u>2,582,605</u>	<u>2,374,994</u>

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

## ORGANIZATIONAL

OUTCOME : Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	2024 GAA Targets	Actual
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand		P 990,114,000
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM		P 990,114,000
Outcome Indicator(s)		
1. Percentage of supportability to AFP Small Arms Ammunition (SAA) requirements for two (2) basic loads (combat requirements)	100%	75%
Output Indicator(s)		
1. Number of small arms ammunitions (SAA) manufactured	60.00 Million Rounds	45.00 Million Rounds
2. Percentage acceptance based on standards	98%	98%

## PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2025 Targets</u>	<u>2026 NEP Targets</u>
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand		P 2,431,006,000	P 2,172,229,000
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM		P 2,431,006,000	P 2,172,229,000
Outcome Indicator(s)			
1. Percentage of supportability to AFP Small Arms Ammunition (SAA) requirements for two (2) basic loads (combat requirements)	100%	100%	100%
Output Indicator(s)			
1. Number of small arms ammunitions (SAA) manufactured	60.00 Million Rounds	60.00 Million Rounds	60.00 Million Rounds
2. Percentage acceptance based on standards	98%	98%	98%