

G. PHILIPPINE ARMY (LAND FORCES)

Appropriations/Obligations

(In Thousand Pesos)

	(Cash-Based)		
<u>Description</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
New General Appropriations	123,186,120	138,228,293	142,032,930
General Fund	123,186,120	138,228,293	142,032,930
Automatic Appropriations	992,182	45,412	50,615
Customs Duties and Taxes, including Tax Expenditures	944,320		
Retirement and Life Insurance Premiums	47,862	45,412	50,615
Continuing Appropriations	2,574,065	10,014,215	
Unobligated Releases for Capital Outlays			
R.A. No. 11936	1,084,863		
R.A. No. 11975		6,538,933	
Unobligated Releases for MOOE			
R.A. No. 11936	1,489,202		
R.A. No. 11975		3,475,282	
Budgetary Adjustment(s)	5,203,118		
Release(s) from:			
Contingent Fund	18,328		
Miscellaneous Personnel Benefits Fund	23,078		
Pension and Gratuity Fund	2,876,782		
Unprogrammed Appropriation			
For Payment of Personnel Benefits	1,720,525		
Pension and Gratuity Fund	564,405		
Total Available Appropriations	131,955,485	148,287,920	142,083,545
Unused Appropriations	(10,228,068)	(10,014,215)	
Unreleased Appropriation	(27,067)		
Unobligated Allotment	(10,201,001)	(10,014,215)	
TOTAL OBLIGATIONS	121,727,417	138,273,705	142,083,545
	=====	=====	=====

EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	(Cash-Based)		
	2024 Actual	2025 Current	2026 Proposed
General Administration and Support	18,423,090,000	24,977,770,000	25,772,435,000
Regular	18,423,090,000	24,977,770,000	25,772,435,000
PS	15,600,505,000	23,720,343,000	24,398,402,000
MOOE	2,822,585,000	1,257,427,000	1,374,033,000
Operations	103,304,327,000	113,295,935,000	116,311,110,000
Regular	103,304,327,000	113,295,935,000	116,311,110,000
PS	84,308,582,000	84,269,885,000	84,680,995,000
MOOE	15,398,466,000	19,006,725,000	19,978,470,000
CO	3,597,279,000	10,019,325,000	11,651,645,000
TOTAL AGENCY BUDGET	121,727,417,000	138,273,705,000	142,083,545,000
Regular	121,727,417,000	138,273,705,000	142,083,545,000
PS	99,909,087,000	107,990,228,000	109,079,397,000
MOOE	18,221,051,000	20,264,152,000	21,352,503,000
CO	3,597,279,000	10,019,325,000	11,651,645,000

STAFFING SUMMARY

	2024	2025	2026
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,643	1,643	1,643
Total Number of Filled Positions	1,209	1,209	1,209
Military			
Total Number of Authorized Positions	114,576	114,576	114,576
Total Number of Filled Positions	113,456	112,682	112,682

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 142,032,930,000
=====

OPERATIONS BY PROGRAM	PROPOSED 2026 (Cash-Based)			
	PS	MOOE	CO	TOTAL
LAND FORCES DEFENSE PROGRAM	84,680,995,000	19,978,470,000	11,651,645,000	116,311,110,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2026 (Cash-Based)
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	109,028,782,000	21,352,503,000	11,651,645,000	142,032,930,000
National Capital Region (NCR)	109,028,782,000	21,352,503,000	11,651,645,000	142,032,930,000
TOTAL AGENCY BUDGET	109,028,782,000	21,352,503,000	11,651,645,000	142,032,930,000
	=====	=====	=====	=====

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 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 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 of 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 civil and criminal actions under existing 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 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. Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Nine Billion Seventy Two Million Five Hundred Fifty Thousand Pesos (P9,072,550,000) 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 Ninety Three Million Six Hundred Ninety Three Thousand Pesos (P893,693,000) 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 Request, and other relevant budgetary requirements in accordance with applicable laws, 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 until such time that all agencies have fully migrated to the BTMS; 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
A.REGULAR PROGRAMS					
1000000000000000	General Administration and Support	24,347,787,000	1,374,033,000		25,721,820,000
100000100001000	General management and supervision	21,771,256,000	1,374,033,000		23,145,289,000
100000100002000	Administration of Personnel Benefits	2,576,531,000			2,576,531,000
Sub-total, General Administration and Support		24,347,787,000	1,374,033,000		25,721,820,000
3000000000000000	Operations	84,680,995,000	19,978,470,000	11,651,645,000	116,311,110,000
3101000000000000	LAND FORCES DEFENSE PROGRAM	84,680,995,000	19,978,470,000	11,651,645,000	116,311,110,000
310100100001000	Force-Level Support Services	4,140,808,000	827,927,000	266,584,000	5,235,319,000
310100100002000	Force Development		1,282,339,000		1,282,339,000
310100100003000	Force Sustainment	80,540,187,000	17,868,204,000	11,385,061,000	109,793,452,000
Sub-total, Operations		84,680,995,000	19,978,470,000	11,651,645,000	116,311,110,000
TOTAL NEW APPROPRIATIONS		P109,028,782,000	P 21,352,503,000	P 11,651,645,000	P142,032,930,000
		=====	=====	=====	=====

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	401,217	378,437	421,794
Total Permanent Positions	401,217	378,437	421,794
Other Compensation Common to All			
Personnel Economic Relief Allowance	31,428	30,312	29,016
Representation Allowance	220	288	288
Transportation Allowance	220	288	288
Clothing and Uniform Allowance	8,946	8,841	8,463
Honoraria		106	106
Mid-Year Bonus - Civilian	34,210	31,536	35,149
Year End Bonus	32,260	31,536	35,149
Cash Gift	6,365	6,315	6,045
Productivity Enhancement Incentive	6,370	6,315	6,045
Step Increment		946	1,054
Total Other Compensation Common to All	120,019	116,483	121,603
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	48,434	35,765	35,765
Magna Carta for Science & Technology			
Personnel	220		
Hazard Duty Pay	3,365		
Longevity Pay	2,457	4,896	4,896
Lump-sum for filling of Positions - Civilian		22,277	22,277
Other Personnel Benefits	4,422,978		
Total Other Compensation for Specific Groups	4,477,454	62,938	62,938
Other Benefits			
Retirement and Life Insurance Premiums	47,862	45,412	50,615
PAG-IBIG Contributions	3,145	3,031	2,902
PhilHealth Contributions	10,466	9,461	10,542
Employees Compensation Insurance Premiums	1,544	1,516	1,451
Retirement Gratuity	53,129		
Loyalty Award - Civilian	1,075		
Terminal Leave	1,332,496	4,310	8,299
Total Other Benefits	1,449,717	63,730	73,809
Military/Uniformed Personnel			
Basic Pay			
Base Pay	44,732,502	45,604,655	45,604,655
Total Basic Pay	44,732,502	45,604,655	45,604,655
Other Compensation Common to All			
Personnel Economic Relief Allowance	2,660,036	2,723,444	2,723,444
Clothing/ Uniform Allowance	3,573,969	4,262,873	4,528,532
Subsistence Allowance	10,029,879	23,341,832	23,387,823
Laundry Allowance	42,163	44,540	44,540
Quarters Allowance	581,060	606,549	606,549

Longevity Pay	8,455,705	11,791,385	11,791,385
Mid-Year Bonus - Military/Uniformed Personnel	3,693,101	3,800,388	3,800,388
Year-end Bonus	3,693,101	3,800,388	3,800,388
Cash Gift	567,280	567,280	567,280
Productivity Enhancement Incentive	567,280	567,280	567,280
Total Other Compensation Common to All	33,863,574	51,505,959	51,817,609
Other Compensation for Specific Groups			
Hazardous Duty Pay	263,437	1,728,957	1,823,521
Flying Pay	49,553	57,608	57,608
Hazard Duty Pay	718,494	735,195	735,195
Combat Duty Pay	3,520,968	3,043,008	3,043,008
Instructor's Duty Pay	323,933	323,933	323,933
Reservist's Pay	484,099	484,099	484,099
Medal of Valor Award	28,350	34,500	34,500
Hospitalization Expenses	48,459		
Parachutist Pay	310,901	622,838	622,838
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		793,605	802,746
Total Other Compensation for Specific Groups	5,748,194	7,823,743	7,927,448
Other Benefits			
Special Group Term Insurance	8,169	8,169	8,169
PAG-IBIG Contributions	265,789	136,148	136,148
PhilHealth Contributions	1,108,500	1,025,902	1,025,867
Employees Compensation Insurance Premiums	124,071	136,148	136,148
Terminal Leave	7,609,881	1,127,916	1,743,209
Total Other Benefits	9,116,410	2,434,283	3,049,541
TOTAL PERSONNEL SERVICES	99,909,087	107,990,228	109,079,397
Maintenance and Other Operating Expenses			
Travelling Expenses	347,360	382,139	393,740
Training and Scholarship Expenses	631,329	483,625	507,180
Supplies and Materials Expenses	9,119,451	11,496,456	12,177,759
Utility Expenses	871,997	908,332	933,089
Communication Expenses	184,840	181,615	187,123
Awards/Rewards and Prizes	2,139	1,547	1,547
Survey, Research, Exploration and Development Expenses	18,678	5,018	5,018
Demolition/Relocation and Desilting/Dredging Expenses	1,850		
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	444,000	444,000	444,000
Professional Services	84,270	143,094	143,094
General Services	14,003	12,083	12,083
Repairs and Maintenance	1,902,940	2,720,655	2,958,578
Financial Assistance/Subsidy	2,428,779	2,598,125	2,681,193
Taxes, Insurance Premiums and Other Fees	1,049,804	64,094	64,094
Labor and Wages	148,365	76,261	76,261
Other Maintenance and Operating Expenses			
Advertising Expenses	1,686	1,786	1,840
Printing and Publication Expenses	12,811	15,343	15,808
Representation Expenses	829,147	585,680	603,452
Transportation and Delivery Expenses	19,723	57,881	59,619
Rent/Lease Expenses	27,458	13,805	13,805
Membership Dues and Contributions to Organizations	123	117	117
Subscription Expenses	54,497	40,131	40,738
Other Maintenance and Operating Expenses	25,801	32,365	32,365
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	18,221,051	20,264,152	21,352,503
TOTAL CURRENT OPERATING EXPENDITURES	118,130,138	128,254,380	130,431,900

686 EXPENDITURE PROGRAM FY 2026 VOLUME II

Capital Outlays

Property, Plant and Equipment Outlay			
Land Improvements Outlay	64,152		26,308
Infrastructure Outlay	40,086	47,347	90,528
Buildings and Other Structures	1,509,541	1,949,661	1,547,035
Machinery and Equipment Outlay	1,176,675	5,639,388	7,561,452
Transportation Equipment Outlay	792,930	2,382,929	2,426,322
Furniture, Fixtures and Books Outlay	13,895		
TOTAL CAPITAL OUTLAYS	3,597,279	10,019,325	11,651,645
GRAND TOTAL	121,727,417	138,273,705	142,083,545

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL
OUTCOME : Level of mission capability of army units in ground operations attained

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	2024 GAA Targets	Actual
Level of mission capability of army units in ground operations attained		P 103,304,327,000
LAND FORCES DEFENSE PROGRAM		P 103,304,327,000
Outcome Indicator(s)		
1. Percentage of Tactical Units provided to force employers that are in prescribed readiness condition	81%	81%
2. Percentage of Ready Reserve Units in prescribed readiness condition	79%	79%
Output Indicator(s)		
1. Number of tactical and ready reserve units maintained		
a. Tactical Battalions	243	229
b. Ready Reserve Battalions	88	88
2. Percentage of operational readiness of tactical and ready reserve units		
a. Tactical Battalions	90%	90%
b. Ready Reserve Battalions	79%	79%
3. Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	90%	90%

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2025 Targets	2026 NEP Targets
Level of mission capability of army units in ground operations attained		P 113,295,935,000	P 116,311,110,000
LAND FORCES DEFENSE PROGRAM		P 113,295,935,000	P 116,311,110,000
Outcome Indicator(s)			
1. Percentage of Tactical Units provided to force employers that are in prescribed readiness condition	81%	81%	81%
2. Percentage of Ready Reserve Units in prescribed readiness condition	79%	79%	79%
Output Indicator(s)			
1. Number of tactical and ready reserve units maintained			
a. Tactical Battalions	236	236	236
b. Ready Reserve Battalions	90	90	92
2. Percentage of operational readiness of tactical and ready reserve units			
a. Tactical Battalions	89%	89%	89%
b. Ready Reserve Battalions	79%	79%	79%
3. Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	90%	90%	90%