

XIV. MINISTRY OF NATIONAL DEFENSE

A.1 Office of the Minister

For general administration; supervision, coordination and direction of national security activities; and home defense and civilian relations in accordance with the functions and project indicated hereunderP 80,000,000

Current Operating Expenditures				
	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. Functions				
1. General Administration and Support Services	P 14,872,000	P 26,161,000	P 4,000,000	P 45,033,000
2. Supervision, Coordination and Direction of National Security Activities	1,200,000	24,372,000		25,572,000
3. Supervision, Coordination and Direction of Home Defense and Civilian Relations	923,000	4,272,000		5,195,000
Total, Functions	16,995,000	54,805,000	4,000,000	75,800,000
B. Project				
1. Rehabilitation of Dissident Returnees		4,200,000		4,200,000
Total New Appropriations, Office of the Minister	P 16,995,000	P 59,005,000	P 4,000,000	P 80,000,000

Special Provisions

1. **Restriction on the Use of Funds Allotted for Petroleum, Oil and Lubricants.**
 The amounts herein appropriated for petroleum, oil and lubricants outlay for the Ministry of National Defense, including all its offices and the AFP major services, shall be used exclusively for the purchase/acquisition of such petroleum, oil and lubricants, and in no case shall any portion thereof be utilized for any other purpose.

When military exigencies so require, the Minister of National Defense may authorize Ministry personnel, subject to appropriate internal control measures and

safeguards, to inspect deliveries of petroleum, oil and lubricants serviced direct to aircraft, vessels and motor vehicles utilized by the Armed Forces of the Philippines.

2. Use of Savings. The Minister of National Defense is authorized, subject to the approval of the President of the Philippines, to use savings in the appropriations herein provided for the Ministry of National Defense for: (a) subsistence, hospitalization, transportation, rehabilitation and resettlement of destitute military personnel discharged honorably, including captured or surrendered dissidents and their families; (b) necessary expenses incurred during the peace and order campaign; (c) planning, coordination and direction of home defense and civilian relations activities; (d) financial assistance to government informers who are killed or injured in the performance of their duties; and (e) payment for damage to properties and compensation for injuries or death of civilians resulting from Armed Forces of the Philippines operations.

3. Disposal of Unserviceable Equipment and Motor Vehicles. The Minister of National Defense, upon notice to the Commission on Audit, is authorized to dispose unserviceable and uneconomically repairable equipment and vehicles of any bureau, office or agency under the Ministry of National Defense without the intervention of the Supply Coordination Office through public bidding, negotiated or private sale, or by destruction or dumping to prevent use of said items in their original state or form. The proceeds derived from sales of said equipment and vehicles shall be deposited with the National Treasury and shall accrue to the General Fund pursuant to P.D. No. 711: PROVIDED, That such income may be made available for the procurement of equipment and vehicles as replacements of unserviceable ones, subject to Section 40 of P.D. No. 1177.

4. Inspection and Audit of Foreign Posts. The Minister of National Defense is hereby authorized to send Ministry personnel to inspect and audit foreign posts under the Ministry and render a report thereon to the President of the Philippines: PROVIDED, that the expenses that shall be incurred by reason of said inspection and audit shall be charged to the appropriate funds of any bureau or agency of the Ministry.

5. Airport Security Fee. Airport security fees collected by the Bureau of Air Transportation and Manila International Airport from departing passengers on scheduled, non-scheduled or chartered commercial aircraft shall be deposited with the National Treasury and shall be treated as trust receipts: PROVIDED, That such amounts as may be necessary may be made available for expenditures as contribution to the National Action Committee on Anti-Hijacking (NACAH), pursuant to LOI No. 414-A dated June 17, 1976, subject to Section 40 of P.D. No. 1177.

6. Appropriations for Specific Activities and Purposes. The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 41,033,000
b. Acquisition of equipment.....	4,000,000

Sub-total, Function 1.....	45,033,000

2. Supervision, Coordination and Direction of National Security Activities	
a. Supervision, coordination and direction of peace and order activities.....	20,016,000
b. Conduct of security operations and related activities.....	5,556,000

Sub-total, Function 2.....	25,572,000
<hr/>	
3. Supervision, Coordination and Direction of Home Defense and Civilian Relations	
a. Supervision, coordination and direction of home defense activities.....	1,104,000
b. Supervision, coordination and direction of civilian relations.....	3,068,000
c. Supervision, coordination and direction of police activities.....	1,023,000
<hr/>	
Sub-total, Function 3.....	5,195,000
<hr/>	
Total, Functions.....	P 75,800,000
<hr/> <hr/>	

A.1.a National Defense College of the Philippines

For general administration, advanced and higher education services, and national defense and strategic international policy studies in accordance with the functions indicated hereunder.....P 5,774,000

	<u>Current Operating Expenditures</u>			
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. General Administration and Support Services	P 857,000	P 1,546,000	P 111,000	P 2,514,000
2. Advanced and Higher Education Services	871,000	1,085,000		1,956,000
3. National Defense and Strategic International Policy Studies	285,000	1,019,000		1,304,000
<hr/>				
Total, Functions	2,013,000	3,650,000	111,000	5,774,000
<hr/> <hr/>				
Total New Appropriations, National Defense College of the Philippines	P 2,013,000	P 3,650,000	P 111,000	P 5,774,000
<hr/> <hr/>				

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 2,403,000
b. Acquisition of equipment.....	111,000
Sub-total, Function 1.....	----- 2,514,000 -----
2. Advanced and Higher Education Services	
a. Graduate level and other courses of study for development.....	1,956,000
Sub-total, Function 2.....	----- 1,956,000 -----
3. National Defense and Strategic International Policy Studies	
a. National defense and strategic international policy studies.....	1,304,000
Sub-total, Function 3.....	----- 1,304,000 -----
Total, Functions.....	P 5,774,000 =====

A.2 Armed Forces of the Philippines

A.2.a General Headquarters

For command and management services, logistical services, health services, operations and training services, intelligence services, and civilian relations activities in accordance with the functions and projects indicated hereunder.....P 2,196,574,000

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. Command and Management Services	P 282,029,000	P 568,978,000		P 851,007,000
2. Logistical Services	77,119,000	204,765,000		281,884,000
3. Health Services	45,955,000	46,498,000		92,453,000

4. Operations and Training Services	464,442,000	134,412,000	598,854,000
5. Military Intelligence Services	72,531,000	71,348,000	143,879,000
6. Civilian Relations Activities	18,631,000	29,069,000	47,700,000
Total, Functions	960,707,000	1,055,070,000	2,015,777,000

B. Projects

1. Self-Reliant Defense Posture Project	5,690,000	2,446,000	131,000,000	139,136,000
2. Construction of Building and Facilities			40,661,000	40,661,000
3. Acquisition of Real Estate			1,000,000	1,000,000
Total, Projects	5,690,000	2,446,000	172,661,000	180,797,000

Total New Appropriations,
 General Headquarters ₱ 966,397,000 ₱1,057,516,000 ₱ 172,661,000 ₱ 2,196,574,000

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. Command and Management Services	
a. Command, staff direction and coordination of GHQ-wide units of the AFP.....	₱ 305,041,000
b. Operation and maintenance of headquarters service groups and other AFP-wide units.....	71,146,000
c. Operation and maintenance of the AFP Finance Center, including payment of salaries and allowances of military and civilian personnel of GHQ.....	9,236,000
d. Support to Pension and Gratuity Administration Office.	1,584,000
e. Payment of pensions and gratuities of military personnel.....	464,000,000
Sub-total, Function 1.....	851,007,000
2. Logistical Services	
a. Operation and maintenance of the AFP Logistical Center	225,058,000

268 GENERAL APPROPRIATIONS ACT, CY 1987

b.	Procurement and other logistical services for GHQ and other AFP-wide support and separate units.....	56,826,000
	Sub-total, Function 2.....	----- 281,884,000 -----
3.	Health Services	
a.	Operation and maintenance of the AFP Medical Center...	79,510,000
b.	Operation and maintenance of the 1351st Dental Dispensary.....	4,716,000
c.	Operation and maintenance of other hospitals, medical and dental dispensaries and clinics.....	8,227,000
	Sub-total, Function 3.....	----- 92,453,000 -----
4.	Operations and Training Services	
a.	Procurement, instruction, training and development of officer-cadets of the Philippine Military Academy.....	54,692,000
b.	Operation and maintenance of the Armed Forces of the Philippines Command and General Staff College.....	4,668,000
c.	Operation and maintenance of the Metropolitan Citizen Military Training Command.....	12,673,000
d.	Special operations of headquarters command and maintenance of other GHQ-AFP-wide support and separate units.....	258,124,000
e.	Operation and maintenance of Regional Unified Commands	239,348,000
f.	Operation and maintenance of WESCOM.....	7,337,000
g.	Special operations and training.....	22,012,000
	Sub-total, Function 4.....	----- 598,854,000 -----
5.	Military Intelligence Services	
a.	Operation and maintenance of military intelligence and other related activities.....	111,768,000
b.	For the operation and maintenance of the Presidential Security Group.....	32,111,000
	Sub-total, Function 5.....	----- 143,879,000 -----
6.	Civilian Relations Activities	
a.	Home defense activities.....	3,816,000
b.	Operation and maintenance of Civil Relations Services.	43,884,000

Sub-total, Function 6.....	47,700,000
Total, Functions.....	P 2,015,777,000

A.2.b Philippine Air Force

For air force command and management services, logistical services, health services, operations and training services, and civilian relations activities in accordance with the functions and project indicated hereunder.....P 1,151,944,000

<u>Current Operating Expenditures</u>				
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. Command and Management Services	P 61,564,000	P 59,697,000		P 121,261,000
2. Logistical Services	93,528,000	242,244,000		335,772,000
3. Health Services	21,595,000	7,819,000		29,414,000
4. Operations and Training Services	415,144,000	211,945,000		627,089,000
5. Civilian Relations Activities		3,078,000		3,078,000
Total, Functions	591,831,000	524,783,000		1,116,614,000
B. Project				
1. Construction of Building and Facilities			35,330,000	35,330,000
Total New Appropriations, Philippine Air Force	P 591,831,000	P 524,783,000	P 35,330,000	P 1,151,944,000

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

	<u>Purpose</u>	<u>Amount</u>
1. Command and Management Services		
a.	Command, staff direction and coordination of air force-wide units.....	P 121,261,000
	Sub-total, Function 1.....	121,261,000

2. Logistical Services		
a.	Procurement, transport, storage and distribution of supplies and materials.....	335,772,000
	Sub-total, Function 2.....	335,772,000
3. Health Services		
a.	Operation and maintenance of air force medical and dental health centers.....	29,414,000
	Sub-total, Function 3.....	29,414,000
4. Operations and Training Services		
a.	Direction of air force operations.....	559,900,000
b.	Operation and maintenance of the Clark Air Base Command (CABCOM).....	5,169,000
c.	Operation and maintenance of the Philippine Air Force Security Command (PAFSECOM).....	847,000
d.	Conduct of air force training.....	61,173,000
	Sub-total, Function 4.....	627,089,000
5. Civilian Relations Activities		
a.	Civil assistance, agro-military activities, command and troop information and education, vocational training of trainees and draftees, and other home defense/civilian relations activities.....	3,078,000
	Sub-total, Function 5.....	3,078,000
	Total, Functions.....	₱ 1,116,614,000

A.2.c Philippine Army

For army command and management services, logistical services, health services, operations and training services, and civilian relations activities in accordance with the functions and project indicated hereunder..... ₱ 2,485,980,000

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. Command and Management Services	₱ 55,209,000	₱ 20,659,000		₱ 75,868,000

2. Logistical Services	48,408,000	382,122,000	430,530,000
3. Health Services	45,571,000	84,071,000	129,642,000
4. Operations and Training Services	1,625,656,000	174,438,000	1,800,094,000
5. Civilian Relations Activities		22,782,000	22,782,000
	-----	-----	-----
Total, Functions	1,774,844,000	684,072,000	2,458,916,000
	-----	-----	-----

B. Project

1. Construction of Building and Facilities		27,064,000	27,064,000
		-----	-----

Total New Appropriations, Philippine Army ₱1,774,844,000 ₱ 684,072,000 ₱ 27,064,000 ₱ 2,485,980,000
 =====

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. Command and Management Services	
a. Command, staff direction and coordination of army-wide units.....	₱ 75,868,000
Sub-total, Function 1.....	75,868,000

2. Logistical Services	
a. Procurement, transport, storage and distribution of supplies and materials.....	430,530,000
Sub-total, Function 2.....	430,530,000

3. Health Services	
a. Operation and maintenance of army medical and dental health centers.....	129,642,000
Sub-total, Function 3.....	129,642,000

4. Operations and Training Services	
a. Direction of army operations.....	1,540,752,000

272 GENERAL APPROPRIATIONS ACT, CY 1987

b. Conduct of army training.....	259,342,000
Sub-total, Function 4.....	----- 1,800,094,000 -----

5. Civilian Relations Activities

a. Civil assistance, agro-military activities, command and troop information and education, vocational training of trainees and draftees, and other home defense/civilian relations activities.....	22,782,000
Sub-total, Function 5.....	----- 22,782,000 -----
Total, Functions.....	===== P 2,458,916,000 =====

A.2.d Philippine Constabulary

For constabulary command and management services, logistical services, health services, operations and training services, and civilian relations activities in accordance with the functions and project indicated hereunder..... P 1,781,579,000

Current Operating
Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. Functions				
1. Command and Management Services	P 92,430,000	P 5,909,000		P 98,339,000
2. Logistical Services	10,522,000	260,277,000		270,799,000
3. Health Services	29,726,000	18,040,000		47,766,000
4. Operations and Training Services	1,202,038,000	106,118,000		1,308,156,000
5. Civilian Relations Activities	5,656,000	8,063,000		13,719,000
Total, Functions	----- 1,340,372,000 -----	----- 398,407,000 -----		----- 1,738,779,000 -----
B. Project				
1. Construction of Building and Facilities			42,800,000	42,800,000
Total New Appropriations, Philippine Constabulary	P 1,340,372,000	P 398,407,000	P 42,800,000	P 1,781,579,000 =====

The Work and Financial Plan shall be reviewed by the Minister of National Defense and the Ministry of Budget and Management and submitted to the President for final approval prior to the release of funds at the beginning of each budget year. Fund releases shall be made through the Office of the Minister of National Defense to the General Headquarters, AFP. The Chief of Staff, AFP, shall sub-allot to the major services including the General Headquarters funds allocated to them in the approved Work and Financial Plan, and may withhold a portion thereof, subject to the approval of the Minister of National Defense, in order to cover the cost of centrally procured items in the implementation of the operating requirements of integrated commands without, however, reducing the total amount intended for basic pay and allowances, GSIS premiums, pensions and gratuities, petroleum, oil and lubricants, ammunitions and other similarly fixed and critical expenditures. Deviations from the approved Work and Financial Plan and from the implementing budgetary releases may be approved by the Minister of National Defense acting upon guidelines issued by the President of the Philippines in pursuance of reorganization, emergency changes in priority and changes in systems and procedures, except as provided under LOI No. 746: PROVIDED, That such appropriation transfers shall be effected through Special Budgets, pursuant to Section 40 of P.D. No. 1177: PROVIDED, FURTHER, That no increase in compensation, allowances and fringe benefits shall be implemented without an implementing Budget Circular or the written approval of the President of the Philippines, a copy of which shall be furnished by the Ministry of Budget and Management.

9. **Lease of Armed Forces Equipment.** The Armed Forces of the Philippines is authorized, subject to the approval of the Minister of National Defense, to lease its idle equipment which can be dispensed with, and the proceeds derived therefrom shall be deposited with the National Treasury and shall accrue to the General Fund pursuant to the provisions of Section 50 of P.D. No. 1177.

10. **Use of Savings.** The Chief of Staff, AFP, is authorized, subject to the approval of the Minister of National Defense, to use any savings in the appropriations provided herein for the AFP, for: (a) purchase of furniture and equipment for the living quarters of the various Provincial Constabulary Commanders and Regional Unified Commanders not exceeding P1,000,000; (b) payment of the loans and amortization, including valid prior years' obligations; (c) acquisition of sites, facilities, or equipment under lease or currently used by the Armed Forces, and payment of boundary, relocation and sub-division surveys for titling of AFP real estates; (d) purchase, manufacture and repair of motor vehicles, aircrafts, vessels and spare parts, and all other types of equipment and materials as may be determined by the Minister of National Defense; (e) purchase or manufacture of ammunition and components, armaments and other similar equipment to build up the reserve stocks of the AFP Reserve Force; (f) construction of living quarters, mobilization centers, military barracks, AFP museum, archives or libraries and other construction projects; (g) modernization and expansion of the AFP General Headquarters; (h) support of intelligence and counter-intelligence activities of the AFP; (i) support of the international commitments of the AFP, including the expenses of Philippine Armed Forces Contingent sent overseas on mission; (j) payment of certificate of disability discharged pensions of retirees, and educational benefits of beneficiaries entitled thereto; (k) payment of gratuities and pensions of military retirees, under Republic Act No. 340 as amended; (l) subsistence of military personnel serving sentence at the National Penitentiary; and (m) payment of prior years accounts including light, water, telephone and rental charges: PROVIDED, That (k) hereof shall be given priority; PROVIDED, FURTHER, That a quarterly report on use of savings is submitted to the Ministry of Budget and Management.

11. **Intelligence and Confidential Funds.** No amount herein appropriated, including those funded from savings, shall be utilized for intelligence and confidential purposes without the approval of the President of the Philippines upon recommendation of the Minister of National Defense and the National Security Council.

12. **Use of Appropriations Allotted for Longevity Pay.** Longevity pay shall be charged against the specific appropriations allotted for the purpose: PROVIDED, That in

determining entitlement to longevity pay, the period of trainee service, CMT Cadre Training, probationary training, and cadet service in Service Academies and in the PAF Flying School not exceeding four years, shall be considered as active military service.

13. **AFP Procurement.** The AFP is authorized, subject to rules and regulations prescribed by the Minister of National Defense and the Minister of Budget and Management to procure supplies, materials, services and equipment needed for its operations without the intervention of the Supply Coordination Office.

14. **Release and Administration of Appropriations for the Presidential Security Group.** The amount appropriated herein for the Presidential Security Group shall be released to the Ministry of National Defense which shall sub-allot the amount to the Office of the President for its administration, utilization or implementation.

A.3 Government Arsenal

For general administration, the manufacture of arms and ammunitions, and for the maintenance and security of arsenals in accordance with the functions indicated hereunder
P 77,711,000

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. General Administration and Support Services	P 10,312,000	P 7,683,000		P 17,995,000
2. Manufacture of Arms and Ammunitions and Maintenance and Security of Arsenals	11,325,000	47,089,000	1,302,000	59,716,000
Total, Functions	<u>21,637,000</u>	<u>54,772,000</u>	<u>1,302,000</u>	<u>77,711,000</u>
Total New Appropriations, Government Arsenal	<u>P 21,637,000</u>	<u>P 54,772,000</u>	<u>P 1,302,000</u>	<u>P 77,711,000</u>

Special Provisions

1. **Procurement of Safety Equipment.** The Director of the Government Arsenal, subject to the approval of the Minister of National Defense, is authorized to procure safety equipment and clothing materials as may be needed in its operations and issue the same to its personnel without cost, chargeable to the regular appropriations of the Government Arsenal.

2. **Authority to Barter Scrap.** The Director of the Government Arsenal, upon notice to the Commission on Audit and prior approval of the Minister of National Defense, is authorized to barter scrap with essential facilities in the operation of the Government Arsenal: PROVIDED, That the money value of the scrap items bartered shall be recorded as income of the Government Arsenal and the equipment so acquired shall be recorded as government property.

3. **Appropriations for Specific Activities and Purposes.** The amounts herein

appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 17,944,000
b. Intelligence Fund.....	51,000
Sub-total, Function 1.....	----- 17,995,000 -----
2. Manufacture of Arms and Ammunitions and Maintenance and Security of Arsenals	
a. Manufacture and storage of arms and ammunitions and the assurance of quality thereof.....	58,414,000
b. Purchase and/or fabrication of furniture and equipment	1,302,000
Sub-total, Function 2.....	----- 59,716,000 -----
Total, Functions.....	P 77,711,000 =====

A.4 Bureau of Coast and Geodetic Survey

For general administration; field surveys; and production and distribution of maps, charts and other related publications in accordance with the functions and project indicated hereunder.....P 26,876,000

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. Functions				
1. General Administration and Support Services	P 7,039,000	P 2,451,000		P 9,490,000
2. Field Surveys, Production and Distribution of Maps, Charts and Related Publications	10,205,000	3,201,000		13,406,000
Total, Functions	----- 17,244,000 -----	----- 5,652,000 -----		----- 22,896,000 -----

B. Project

1. Reconditioning/Outfitting/
Re-equipping of BCGS
Survey Vessels

3,980,000 3,980,000

Total New Appropriations,
Bureau of Coast and
Geodetic Survey

₱ 17,244,000 ₱ 5,652,000 ₱ 3,980,000 ₱ 26,876,000

Special Provisions

1. **Authority to Contract for Surveys and Technical Investigations.** The Director of the Bureau of Coast and Geodetic Survey is authorized, subject to the approval of the Minister of National Defense, to enter into contracts or cooperative agreements with, and to receive funds from public or private organizations and/or persons for technical investigations, surveying, mapping and charting activities and for the preparation and publication of the results therefor. All receipts and proceeds realized therefrom shall be deposited with the National Treasury and shall accrue to the General Fund pursuant to Section 50 of P.D. No. 1177, and may be used to support the appropriations herein provided, subject to Section 40 of P.D. No. 1177.

2. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	₱ 9,490,000
Sub-total, Function 1.....	9,490,000
2. Field Surveys, Production and Distribution of Maps, Charts and Related Publications	
a. Conduct of hydrographic, oceanographic, geodetic and geophysical surveys, publication and distribution of notices to mariners and compilation of special maps and other publications.....	10,378,000
b. BCGS participation in the JICA - assisted Project-Establishment of Graphic Information Base-National Capital Region.....	40,000
c. BCGS participation in the Kalayaan Islands Environmental Research and Marine Science Center.....	172,000
d. Printing, distribution and selling of maps, charts and related publications.....	2,816,000
Sub-total, Function 2.....	13,406,000
Total, Functions.....	₱ 22,896,000

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. Command and Management Services	
a. Command, staff direction and coordination of constabulary-wide units.....	P 98,339,000
Sub-total, Function 1.....	----- 98,339,000 -----
2. Logistical Services	
a. Procurement, transport, storage and distribution of supplies and materials.....	270,799,000
Sub-total, Function 2.....	----- 270,799,000 -----
3. Health Services	
a. Operation and maintenance of constabulary medical and dental health centers.....	47,766,000
Sub-total, Function 3.....	----- 47,766,000 -----
4. Operations and Training Services	
a. Police operational activities.....	1,288,634,000
b. Operation and maintenance of the Narcotics Command (NARCOM).....	6,649,000
c. Conduct of constabulary training.....	12,873,000
Sub-total, Function 4.....	----- 1,308,156,000 -----
5. Civilian Relations Activities	
a. Civil assistance, agro-military activities, command and troop information and education, vocational training of trainees and draftees, and other home defense/civilian relations activities.....	13,719,000
Sub-total, Function 5.....	----- 13,719,000 -----
Total, Functions.....	P 1,738,779,000 =====

A.2.e Philippine Navy

For naval command and management services, logistical services, health services, operations and training services, and civilian relations activities in accordance with the functions and project indicated hereunder.....P 1,652,337,000

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. Command and Management Services	P 65,733,000	P 57,400,000	P 2,943,000	P 126,076,000
2. Logistical Services	94,960,000	636,336,000		731,296,000
3. Health Services	7,504,000	17,434,000		24,938,000
4. Operations and Training Services	570,206,000	156,904,000		727,110,000
5. Civilian Relations Activities		8,717,000		8,717,000
Total, Functions	738,403,000	876,791,000	2,943,000	1,618,137,000
B. Project				
1. Construction of Building and Facilities			34,200,000	34,200,000
Total New Appropriations, Philippine Navy	P 738,403,000	P 876,791,000	P 37,143,000	P 1,652,337,000

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. Command and Management Services	
a. Command, staff direction and coordination of navy-wide units.....	P 123,133,000
b. Acquisition of equipment.....	2,943,000
Sub-total, Function 1.....	126,076,000

2. Logistical Services

a. Procurement, transport, storage and distribution of supplies and materials.....	510,555,000
b. Maintenance of vessels.....	135,938,000
c. Maintenance of other naval facilities.....	84,803,000
Sub-total, Function 2.....	----- 731,296,000 -----

3. Health Services

a. Operation and maintenance of naval medical and dental health centers.....	24,938,000
Sub-total, Function 3.....	----- 24,938,000 -----

4. Operations and Training Services

a. Direction of naval operations.....	695,663,000
b. Operation and maintenance of Subic Command (SUBCOM)...	7,226,000
c. Conduct of naval training.....	24,221,000
Sub-total, Function 4.....	----- 727,110,000 -----

5. Civilian Relations Activities

a. Civilian relations activities.....	8,717,000
Sub-total, Function 5.....	----- 8,717,000 -----
Total, Functions.....	P 1,618,137,000 =====

SPECIAL PROVISIONS APPLICABLE TO THE MAJOR SERVICES OF THE ARMED FORCES OF THE PHILIPPINES

1. **Limitation on the Use of Training Appropriations for Payment of Death Gratuity and Disability Pension of CMT Cadets.** The appropriations allotted for training outlay in the Armed Forces of the Philippines shall be made available for the payment of death gratuity or disability benefits of CMT cadets on account of death or injury suffered as a direct and proximate result of summer cadre training or participation in military operations of the AFP, except those incurred through misconduct, gross negligence or willful disobedience: PROVIDED, That payment shall be made to the beneficiaries as provided in R.A. No. 610, as amended, subject to special rules and regulations prescribed by the Minister of National Defense: PROVIDED, FINALLY, That death compensation shall not be less than twelve thousand pesos.

2. **Allowances of Civilians Utilized During Military Operations.** The AFP is authorized to grant subsistence allowances and other emoluments to civilians who are not employees of the Ministry of National Defense but utilized during military operations and similar activities of the AFP in the maintenance of peace and order, subject to such rules and regulations prescribed by the Minister of National Defense. Nothing herein prescribed however, shall preclude local government legislative bodies to enact ordinances/resolutions authorizing payment through the AFP of additional benefits/allowances to CHDF members within their respective jurisdictions.

3. **Allotment of Confidential National Security Fund.** The President of the Philippines as Commander-in-Chief of the Armed Forces may allot from the appropriations herein provided, such amounts as may be necessary for confidential national security purposes, and any disbursement therefrom shall be accounted for solely on the President's certification or by the Officer-in-Charge of the National Security Mission designated by the President of the Philippines. A portion from the programmed allotment of said Fund may be used for the purchase of technical equipment and vehicles necessary for carrying out national security missions upon direction and/or prior approval of the President of the Philippines.

4. **Purchase of Security Information.** The Minister of National Defense, upon certification of the Chief of Staff, AFP, may recommend for the approval of the President of the Philippines the disbursement of funds for payment of rewards to informers or for the purchase of security information on national security projects other than those already approved under authorized operating programs of the AFP.

5. **Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations.** Upon recommendation of the Minister of National Defense and approval of the President of the Philippines, expenses incurred by the AFP in anti-smuggling, economic subversion or other similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the AFP, subject to Section 40 of P.D. No. 1177, and to pertinent budgetary, accounting and auditing regulations: PROVIDED, That such proceeds may also be used for the logistics support and acquisition of information necessary for the prosecution of subsequent operations, subject to regulations prescribed by the Chief of Staff, with the approval of the Minister of National Defense.

6. **Research, Feasibility Studies, Development Projects and Test and Evaluation.** The Chief of Staff, AFP, subject to the approval of the Minister of National Defense, and upon direction of the President of the Philippines, is authorized to conduct research, feasibility studies and development studies for projects planned and approved under the Self-Reliant Defense Posture Program (SRDP), including materiel requirements of the AFP on weapons and armaments, air and naval armaments, air and naval materiel requirements, ammunition, communications-electronics and quartermaster items, the cost of which shall be chargeable to the appropriations provided for the Self-Reliant Defense Posture Program, R & D Program and other Special Funds as provided for by P.D. No. 1081. The Chief of Staff is likewise authorized, subject to the approval of the Minister of National Defense, to farm out R & D projects to private entrepreneurs and/or government scientific agencies when these are not within the capability of the AFP to undertake: PROVIDED, That the amount that shall be spent for such research, feasibility and development studies shall not exceed 4 percent of the contract price or the direct cost of each project.

7. **Loans for Housing Projects and Facilities.** The Chief of Staff, AFP, subject to the approval of the Minister of National Defense and the Minister of Finance, is authorized to contract loans from any financing corporations for the purchase or lease of real estate and construction of housing projects, living quarters and its facilities for military personnel including those of JUSMAG and AFP attachés abroad: PROVIDED, That the schedule of payment of the loan can be supported from the AFP appropriations and that the real estate so purchased and the housing and living quarters shall become government property, except for housing projects which shall be awarded to qualified AFP personnel upon payment of the total amortizations. The unused or unexpended appropriations of the AFP for quarters allowance shall be used to amortize said loans and shall be made available for the repair and maintenance of such quarters and housing facilities.

8. **Operating Budget of the AFP Major Services.** Pursuant to LOI No. 760, the Chief of Staff shall prepare, in consultation with the major services, a Work and Financial Plan, as may be required by the Ministry of Budget and Management, for each of the services of the Armed Forces of the Philippines, including the General Headquarters, identifying cost estimates for each function and project by Command and the amounts earmarked for intelligence activities, and for petroleum, oil and lubricants, in each function and project as listed in this Act.

A.7.b Veterans Memorial Medical Center

For general administration, hospitalization, medical care and treatment in accordance with the functions indicated hereunder..... P 79,853,000

	Current Operating Expenditures			Total
	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	
A. Functions				
1. General Administration and Support Services	P 22,347,000	P 7,370,000		P 29,717,000
2. Hospitalization and Medical Care and Treatment	21,051,000	29,085,000		50,136,000
Total, Functions	43,398,000	36,455,000		79,853,000
Total New Appropriations, Veterans Memorial Medical Center	P 43,398,000	P 36,455,000		P 79,853,000

Special Provisions

1. **Operating Expenses of Veterans Ward Annexes.** The Veterans Memorial Medical Center is authorized, subject to the approval of the Minister of National Defense, to use the interest earnings of the P12 million from its share in the interest of the \$31 million Veterans Settlement Fund paid by the United States Government to the Philippines and deposited in the Philippine Veterans Bank, for operational expenses of existing Veterans Wards, and to establish additional ward annexes, including the operational expenses of the 50-bed Veterans Rehabilitation and Convalescent Center at Taguig, Metropolitan Manila, to be managed by the Director, Veterans Memorial Medical Center.

2. **Use of Savings.** The Administrator of the Philippine Veterans Affairs Office is authorized, subject to the approval of the Minister of National Defense and to Section 40 of P.D. No. 1177, to use savings in the appropriations for the Philippine Veterans Affairs Office: (a) to cover deficits in veterans pension and educational benefits; (b) for payment of additional expenses for supplies, materials, equipment and machine rental in the preparation of pension checks of veterans and beneficiaries; (c) for medical care and treatment at the Veterans Memorial Medical Center or its annex wards in the provinces, including reasonable transportation expenses in going to and from the Medical Center or its annex; (d) for assistance, benefit or services to veterans authorized under the law; and (e) for the microfilming and/or computerization of veterans records.

3. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 29,717,000
Sub-total, Function 1.....	----- 29,717,000 -----
2. Hospitalization and Medical Care and Treatment	
a. In-patient care.....	40,885,000
b. Operation and maintenance of VMMC annexes.....	1,412,000
c. Out-patient services.....	7,839,000
Sub-total, Function 2.....	----- 50,136,000 -----
Total, Functions.....	P 79,853,000 =====

A.7.c Military Shrines Services

For general administration and development of national military shrines in accordance with the functions indicated hereunder.....P 3,550,000

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. Functions				
1. General Administration and Support Services	P 1,110,000	P 1,357,000		P 2,467,000
2. Development of National Military Shrines	747,000	336,000		1,083,000
Total, Functions	----- 1,857,000 -----	----- 1,693,000 -----		----- 3,550,000 -----
Total New Appropriations, Military Shrines Services	P 1,857,000	P 1,693,000		P 3,550,000 =====

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. Administration of National Military Shrines, including the Corregidor Shrine, Dambana ng Kagitingan and the Kiangnan Shrine.....	P 2,467,000

Sub-total, Function 1.....	2,467,000

2. Development of National Military Shrines	
a. Development of National Military Shrines, including the Corregidor Shrine, Dambana ng Kagitingan and the Kiangnan Shrine.....	1,033,000
b. Allowances of re-employed retired military personnel..	50,000

Sub-total, Function 2.....	1,083,000

Total, Functions.....	P 3,550,000
	=====

A.5 Integrated National Police

For general administration; law enforcement and public safety services; and fire prevention, investigation and control in accordance with the functions indicated hereunder.....P 2,203,969,000

<u>Current Operating Expenditures</u>				
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. General Administration and Support Services	P 158,543,000	P 21,769,000	P 27,800,000	P 208,112,000
2. Law Enforcement and Public Safety Services	1,478,994,000	238,886,000		1,717,880,000
3. Fire Prevention, Investigation and Control	221,004,000	56,973,000		277,977,000
Total, Functions	1,858,541,000	317,628,000	27,800,000	2,203,969,000

Total New Appropriations,
 Integrated National Police P1,858,541,000 P 317,628,000 P 27,800,000 P 2,203,969,000

Special Provisions

1. **Use of Appropriations for Payment of Damages Arising from Lawful Police Operations.** The Director-General of the Integrated National Police (INP) is authorized, subject to the approval of the Minister of National Defense, to disburse funds from the appropriations provided in this Act for the INP for payment of duly established damages to property and for injury or death benefits of civilians resulting from duly authorized police operations in the maintenance of peace and order.

2. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. Training of uniformed personnel.....	P 50,655,000
b. Central and regional administration and staff services.....	121,975,000

282 GENERAL APPROPRIATIONS ACT, CY 1987

c.	Legal assistance services to uniformed personnel pursuant to P.D. No. 971	1,841,000
d.	Operational requirements in the operation and maintenance of the Management Information System for the Peace and Order Council.....	5,841,000
e.	Purchase of patrol vehicles and special purpose police vehicles.....	27,800,000
	Sub-total, Function 1.....	<u>208,112,000</u>
2. Law Enforcement and Public Safety Services		
a.	Police and traffic activities.....	1,476,898,000
b.	Police investigative activities, which shall be released in accordance with the procedures established under LOI No. 746.....	155,282,000
c.	Jail management and rehabilitation of prisoners.....	85,700,000
	Sub-total, Function 2.....	<u>1,717,880,000</u>
3. Fire Prevention, Investigation and Control		
a.	Fire prevention, control, investigation and firefighting operations.....	277,977,000
	Sub-total, Function 3.....	<u>277,977,000</u>
	Total, Functions.....	<u><u>P 2,203,969,000</u></u>

A.6 Office of Civil Defense

For general administration; and planning, direction and coordination services for civil defense in accordance with the functions indicated hereunder.....P 9,799,000

Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Functions				
1. General Administration and Support Services	P 6,431,000	P 1,058,000		P 7,489,000

2. Planning, Direction and Coordination Services for Civil Defense		2,310,000	2,310,000
	-----	-----	-----
Total, Functions	6,431,000	3,368,000	9,799,000
	-----	-----	-----
Total New Appropriations, Office of Civil Defense	P 6,431,000	P 3,368,000	P 9,799,000
	=====	=====	=====

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 7,489,000
Sub-total, Function 1.....	7,489,000

2. Planning, Direction and Coordination Services for Civil Defense	
a. Supervision, direction and coordination of the national civil defense program.....	715,000
b. Organization and training of disaster coordinating councils and volunteer workers.....	1,335,000
c. Participation in the natural disaster research and training center.....	260,000
Sub-total, Function 2.....	2,310,000

Total, Functions.....	P 9,799,000
	=====

A.7.a Philippine Veterans Affairs Office (Proper)

For general administration and administration of veterans' benefits in accordance with the functions indicated hereunder.....P 89,079,000

284 GENERAL APPROPRIATIONS ACT, CY 1987

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. Functions				
1. General Administration and Support Services	P 7,826,000	P 3,819,000		P 11,645,000
2. Administration of Veterans Benefits	4,915,000	72,519,000		77,434,000
Total, Functions	<u>12,741,000</u>	<u>76,338,000</u>		<u>89,079,000</u>
 Total New Appropriations, Philippine Veterans Affairs Office (Proper)	 P 12,741,000	 P 76,338,000		 P 89,079,000

Special Provision

1. **Appropriations for Specific Activities and Purposes.** The amounts herein appropriated for the functions of the agency shall be used specifically for the following activities and purposes in the indicated amounts and conditions:

<u>Purpose</u>	<u>Amount</u>
1. General Administration and Support Services	
a. General administrative services.....	P 11,645,000
Sub-total, Function 1.....	<u>11,645,000</u>
2. Administration of Veterans' Benefits	
a. Processing of veterans' claims.....	7,116,000
b. Settlement of veterans' claims.....	53,883,000
c. Gratuity and pensions of heirs of military personnel under R.A. No. 5859, effective January 1, 1978.....	14,000,000
d. Pensions of veterans of the revolution pursuant to R.A. No. 5748, effective January 1, 1979.....	2,435,000
Sub-total, Function 2.....	<u>77,434,000</u>
Total, Functions.....	P 89,079,000

GENERAL SUMMARY
MINISTRY OF NATIONAL DEFENSE

		<u>Current Operating Expenditures</u>			
		<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A.1	Office of the Minister	₱ 16,995,000	₱ 59,005,000	₱ 4,000,000	₱ 80,000,000
A.1.a	National Defense College of the Philippines	2,013,000	3,650,000	111,000	5,774,000
A.2	Armed Forces of the Philippines	5,411,847,000	3,541,569,000	314,998,000	9,268,414,000
A.2.a	General Headquarters	966,397,000	1,057,516,000	172,661,000	2,196,574,000
A.2.b	Philippine Air Force	591,831,000	524,783,000	35,330,000	1,151,944,000
A.2.c	Philippine Army	1,774,844,000	684,072,000	27,064,000	2,485,980,000
A.2.d	Philippine Constabulary	1,340,372,000	398,407,000	42,800,000	1,781,579,000
A.2.e	Philippine Navy	738,403,000	876,791,000	37,143,000	1,652,337,000
A.3	Government Arsenal	21,637,000	54,772,000	1,302,000	77,711,000
A.4	Bureau of Coast and Geodetic Survey	17,244,000	5,652,000	3,980,000	26,876,000
A.5	Integrated National Police	1,858,541,000	317,628,000	27,800,000	2,203,969,000
A.6	Office of Civil Defense	6,431,000	3,368,000		9,799,000
A.7.a	Philippine Veterans Affairs Office (Proper)	12,741,000	76,338,000		89,079,000
A.7.b	Veterans Memorial Medical Center	43,398,000	36,455,000		79,853,000
A.7.c	Military Shrines Services	1,857,000	1,693,000		3,550,000
Total New Appropriations, Ministry of National Defense		₱7,392,704,000	₱4,100,130,000	₱ 352,191,000	₱11,845,025,000