

XVIII. DEPARTMENT OF NATIONAL DEFENSE

A. OFFICE OF THE SECRETARY - PROPER

For general administration and support, and operations, as indicated hereunder.....P 443,004,000
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New Appropriations, by Program
=====Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
General Administration and Support	P 156,160,000	P 141,120,000			P 297,280,000
Operations		145,724,000			145,724,000
DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM		145,724,000			145,724,000
TOTAL NEW APPROPRIATIONS	P 156,160,000	P 286,844,000			P 443,004,000

Special Provision(s)

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

New Appropriations, by Programs/Activities/Projects
=====Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support					
General management and supervision	P 149,963,000	P 141,120,000			P 291,083,000
Administration of Personnel Benefits	6,197,000				6,197,000
Sub-total, General Administration and Support	156,160,000	141,120,000			297,280,000
Operations					
Defense and security policy and strategy direction provided		145,724,000			145,724,000
DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM		145,724,000			145,724,000

Development, implementation and monitoring of the Defense System of Management (DSOM)	113,350,000	113,350,000
Development, implementation and monitoring of the International Defense Engagement (IDSE)	32,374,000	32,374,000
Sub-total, Operations	145,724,000	145,724,000
TOTAL NEW APPROPRIATIONS	P 156,160,000 P 286,844,000	P 443,004,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

113,243

Total Permanent Positions

113,243

Other Compensation Common to All

Personnel Economic Relief Allowance

5,760

Representation Allowance

3,402

Transportation Allowance

3,402

Clothing and Uniform Allowance

1,200

Mid-Year Bonus - Civilian

9,437

Year End Bonus

9,437

Cash Gift

1,200

Step Increment

283

Productivity Enhancement Incentive

1,200

Total Other Compensation Common to All

35,321

Other Benefits

PAG-IBIG Contributions

288

PhilHealth Contributions

824

Employees Compensation Insurance Premiums

287

Retirement Gratuity

5,966

Terminal Leave

231

Total Other Benefits

7,596

Total Personnel Services

156,160

Maintenance and Other Operating Expenses

Travelling Expenses

25,256

Training and Scholarship Expenses

16,761

Supplies and Materials Expenses

50,017

Utility Expenses	28,411
Communication Expenses	14,297
Confidential, Intelligence and Extraordinary Expenses	
Confidential Expenses	23,000
Extraordinary and Miscellaneous Expenses	3,072
Intelligence Expenses	10,000
Professional Services	14,922
General Services	11,945
Repairs and Maintenance	32,781
Taxes, Insurance Premiums and Other Fees	2,495
Other Maintenance and Operating Expenses	
Advertising Expenses	734
Printing and Publication Expenses	2,175
Representation Expenses	26,726
Rent/Lease Expenses	23,242
Subscription Expenses	759
Donations	251
Total Maintenance and Other Operating Expenses	286,844
Total Current Operating Expenditures	443,004
TOTAL NEW APPROPRIATIONS	443,004

B. GOVERNMENT ARSENAL

For general administration and support, and operations, as indicated hereunder.....P 1,216,188,000

New Appropriations, by Program

<u>Current Operating Expenditures</u>					
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support	P 74,184,000	P 40,687,000			P 114,871,000
Operations	168,208,000	933,109,000			1,101,317,000
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS	168,208,000	933,109,000			1,101,317,000
TOTAL NEW APPROPRIATIONS	P 242,392,000	P 973,796,000			P 1,216,188,000

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 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, s. 1987, and to appropriate criminal action under existing penal 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 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. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>				<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS					
General Administration and Support					
General management and supervision	P 59,468,000	P 40,687,000			P 100,155,000
Administration of Personnel Benefits	14,716,000				14,716,000
Sub-total, General Administration and Support	74,184,000	40,687,000			114,871,000
Operations					
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand	168,208,000	933,109,000			1,101,317,000
SMALL ARMS AMMUNITION, WEAPONS AND MUNITIONS PROGRAM	168,208,000	933,109,000			1,101,317,000
Planning and development of arms manufacturing processes and procedures	10,188,000	7,029,000			17,217,000
Manufacture, storage and security of small arms ammunition	158,020,000	926,080,000			1,084,100,000
Sub-total, Operations	168,208,000	933,109,000			1,101,317,000
TOTAL NEW APPROPRIATIONS	P 242,392,000	P 973,796,000			P 1,216,188,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions	
Basic Salary	131,762
Total Permanent Positions	131,762
Other Compensation Common to All	
Personnel Economic Relief Allowance	14,616
Representation Allowance	510
Transportation Allowance	510
Clothing and Uniform Allowance	3,045
Mid-Year Bonus - Civilian	10,980
Year End Bonus	10,980
Cash Gift	3,045
Step Increment	329
Productivity Enhancement Incentive	3,045
Total Other Compensation Common to All	47,060
Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	300
Magna Carta for Science & Technology Personnel	39,414
Quarters Allowance	1,347
Night Shift Differential Pay	4,173
Total Other Compensation for Specific Groups	45,234
Other Benefits	
PAG-IBIG Contributions	731
PhilHealth Contributions	1,483
Employees Compensation Insurance Premiums	731
Retirement Gratuity	1,820
Loyalty Award-Civilian	675
Terminal Leave	12,896
Total Other Benefits	18,336
Total Personnel Services	242,392
Maintenance and Other Operating Expenses	
Travelling Expenses	6,790
Training and Scholarship Expenses	4,721
Supplies and Materials Expenses	854,847
Utility Expenses	38,192
Communication Expenses	1,788
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	130
Professional Services	4,205
General Services	27,762
Repairs and Maintenance	31,049
Taxes, Insurance Premiums and Other Fees	2,087
Other Maintenance and Operating Expenses	
Advertising Expenses	318
Printing and Publication Expenses	68
Representation Expenses	647
Transportation and Delivery Expenses	1,006

Subscription Expenses	186
Total Maintenance and Other Operating Expenses	973,796
Total Current Operating Expenditures	1,216,188
TOTAL NEW APPROPRIATIONS	1,216,188

C. NATIONAL DEFENSE COLLEGE OF THE PHILIPPINES

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 644,313,000

New Appropriations, by Program

PROGRAMS	<u>Current Operating Expenditures</u>				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
General Administration and Support	P 20,766,000	P 32,050,000		542,000,000	P 594,816,000
Operations	19,664,000	29,833,000			49,497,000
NATIONAL DEFENSE AND SECURITY POLICY STUDIES PROGRAM	10,355,000	6,066,000			16,421,000
NATIONAL DEFENSE AND SECURITY EDUCATION PROGRAM	9,309,000	23,767,000			33,076,000
TOTAL NEW APPROPRIATIONS	P 40,430,000	P 61,883,000		542,000,000	P 644,313,000

Special Provision(s)

1. Use of Fund. The amount appropriated herein shall be used for the construction of an academic building with amphitheater. The amphitheater shall be for the joint use of the National Defense College of the Philippines (NDCP) and the Armed Forces of the Philippines Education, Training and Doctrine Command (AFPETDC), including other educational institutions of the Armed Forces of the Philippines (AFP).

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

New Appropriations, by Programs/Activities/Projects

PROGRAMS	<u>Current Operating Expenditures</u>				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Outlays	Total
General Administration and Support					
General management and supervision	P 17,791,000	P 18,050,000			P 35,841,000

Administration of Personnel Benefits	2,975,000		2,975,000
Project(s)			
Locally-Funded Project(s)	14,000,000	542,000,000	556,000,000
Operational Requirements of the Philippine Center of Excellence in Defense, Development, and Security (PCEDS) at the NDCP	10,000,000		10,000,000
Construction of NDCP Academic Building with Amphitheater classrooms including outside utilities and amenities		381,800,000	381,800,000
Construction of connecting bridge between NDCP main building and the new library building		3,000,000	3,000,000
Construction of International Student Dormitory with amenities and Multi-Level Parking		85,000,000	85,000,000
Construction of NDCP staff quarters with amenities		55,000,000	55,000,000
Construction of outside utilities for the new NDCP Library Building and Dormitory		6,000,000	6,000,000
Procurement of two (2) motor vehicles		9,000,000	9,000,000
Procurement of books and reference materials and library management system		2,200,000	2,200,000
Provision for additional MNSA scholars	3,000,000		3,000,000
Provision for International Defense and Security Engagement (IDSE) Activities	1,000,000		1,000,000
Sub-total, General Administration and Support	20,766,000	32,050,000	542,000,000
Operations			
Defense and Security Leaders' Capacity Improved	19,664,000	29,833,000	49,497,000
NATIONAL DEFENSE AND SECURITY POLICY STUDIES PROGRAM	10,355,000	6,066,000	16,421,000
Conduct of national defense and strategic international studies	10,355,000	6,066,000	16,421,000
NATIONAL DEFENSE AND SECURITY EDUCATION PROGRAM	9,309,000	23,767,000	33,076,000
Conduct of graduate level and other courses of studies	9,309,000	23,767,000	33,076,000
Sub-total, Operations	19,664,000	29,833,000	49,497,000
TOTAL NEW APPROPRIATIONS	P 40,430,000	P 61,883,000	542,000,000 P 644,313,000

GENERAL APPROPRIATIONS ACT, FY 2018

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary	23,095
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Total Permanent Positions	23,095
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Other Compensation Common to All

Personnel Economic Relief Allowance	1,416
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Representation Allowance	450
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Transportation Allowance	450
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Clothing and Uniform Allowance	295
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Honoraria	6,743
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Mid-Year Bonus - Civilian	1,924
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Year End Bonus	1,924
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Cash Gift	295
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Step Increment	58
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Productivity Enhancement Incentive	295
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Total Other Compensation Common to All	13,850
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Other Compensation for Specific Group

Lump-sum for filling of Positions-Civilian	2,941
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Anniversary Bonus-Civilian	171
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Total Other Compensation for Specific Groups	3,112
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Other Benefits

PAG-IBIG Contributions	70
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PhilHealth Contributions	199
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Employees Compensation Insurance Premiums	70
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Terminal Leave	34
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Total Other Benefits	373
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Total Personnel Services	40,430
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Maintenance and Other Operating Expenses

Travelling Expenses	17,071
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Training and Scholarship Expenses	4,932
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Supplies and Materials Expenses	11,951
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Utility Expenses	214
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Communication Expenses	1,574
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Confidential, Intelligence and Extraordinary Expenses	
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Extraordinary and Miscellaneous Expenses	108
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Professional Services	8,607
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General Services	3,570
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Repairs and Maintenance	2,500
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Taxes, Insurance Premiums and Other Fees	440
Other Maintenance and Operating Expenses	
Printing and Publication Expenses	6,938
Representation Expenses	1,743
Rent/Lease Expenses	1,900
Membership Dues and Contributions to Organizations	5
Subscription Expenses	330
Total Maintenance and Other Operating Expenses	61,883
Total Current Operating Expenditures	102,313
Capital Outlay	
Property, Plant and Equipment Outlay	
Furniture, Fixtures and Books Outlay	2,200
Buildings and Other Structures	530,800
Transportation Equipment Outlay	9,000
Total Capital Outlays	542,000
TOTAL NEW APPROPRIATIONS	644,313

D. OFFICE OF CIVIL DEFENSE

For general administration and support, and operations, as indicated hereunder.....P 1,067,198,000
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New Appropriations, by Program

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Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support	P 33,146,000	P 49,023,000		P	P 82,169,000
Operations	142,646,000	573,803,000		268,580,000	985,029,000
CIVILIAN PROTECTION PROGRAM	142,646,000	573,803,000		268,580,000	985,029,000
TOTAL NEW APPROPRIATIONS	P 175,792,000	P 622,826,000		P 268,580,000	P 1,067,198,000

Special Provision(s)

1. **Quick Response Fund.** The amount of Five Hundred Million Pesos (P500,000,000) appropriated herein for the Quick Response Fund (QRF) shall serve as a standby fund to be used for rehabilitation and relief programs and projects, including pre-positioning of goods and equipment in order that the situation and living conditions of people living in communities or areas stricken by calamities, epidemics, crises, and catastrophes, which occurred in the last quarter of the immediately preceding year and those occurring during the the current may be normalized as quickly as possible. In no case shall the QRF be used for pre-disaster activities, nor be realigned for any other purpose not authorized in this Act.

The Office of Civil Defense (OCD) shall submit to DBM, the National Disaster Risk Reduction and Management Council, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the status of the utilization of the QRF. The Administrator of the OCD and the agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the OCD website.

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

New Appropriations, by Programs/Activities/Projects

<u>Current Operating Expenditures</u>					
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
General Administration and Support					
General management and supervision	P 31,476,000	P 49,023,000		P	P 80,499,000
Administration of Personnel Benefits	1,670,000				1,670,000
Sub-total, General Administration and Support	33,146,000	49,023,000			82,169,000
Operations					
Resiliency of communities to disasters improved	142,646,000	573,803,000		268,580,000	985,029,000
CIVIL PROTECTION PROGRAM	142,646,000	573,803,000		268,580,000	985,029,000
CIVIL DEFENSE ENHANCEMENT SUB-PROGRAM	93,402,000	33,028,000		18,580,000	145,010,000
Enhancement, Capacity Development and Mobilization for Civil Defense	93,402,000	33,028,000		18,580,000	145,010,000
DISASTER RISK REDUCTION AND MANAGEMENT SUB-PROGRAM	49,244,000	290,775,000			340,019,000
Empowering Sectors on DRRM for Resiliency	49,244,000	290,775,000			340,019,000
DISASTER MANAGEMENT OPERATIONS		250,000,000		250,000,000	500,000,000
Disaster Response Operation		250,000,000		250,000,000	500,000,000
Sub-total, Operations	142,646,000	573,803,000		268,580,000	985,029,000
TOTAL NEW APPROPRIATIONS	P 175,792,000	P 622,826,000		P 268,580,000	P 1,067,198,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

129,854

Total Permanent Positions

129,854

Other Compensation Common to All	
Personnel Economic Relief Allowance	8,976
Representation Allowance	2,790
Transportation Allowance	2,790
Clothing and Uniform Allowance	1,870
Mid-Year Bonus - Civilian	10,821
Year End Bonus	10,821
Cash Gift	1,870
Step Increment	324
Productivity Enhancement Incentive	1,870
Total Other Compensation Common to All	42,132
Other Benefits	
PAG-IBIG Contributions	449
PhilHealth Contributions	1,238
Employees Compensation Insurance Premiums	449
Terminal Leave	1,670
Total Other Benefits	3,806
Total Personnel Services	175,792
Maintenance and Other Operating Expenses	
Travelling Expenses	42,655
Training and Scholarship Expenses	186,465
Supplies and Materials Expenses	27,462
Utility Expenses	6,289
Communication Expenses	22,161
Awards/Rewards and Prizes	8,316
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	2,609
Professional Services	2,640
General Services	5,718
Repairs and Maintenance	9,382
Financial Assistance/Subsidy	250,000
Taxes, Insurance Premiums and Other Fees	3,198
Other Maintenance and Operating Expenses	
Advertising Expenses	1,431
Printing and Publication Expenses	2,185
Representation Expenses	25,798
Transportation and Delivery Expenses	974
Rent/Lease Expenses	12,916
Subscription Expenses	946
Donations	75
Other Maintenance and Operating Expenses	11,606
Total Maintenance and Other Operating Expenses	622,826
Total Current Operating Expenditures	798,618
Capital Outlay	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	250,000
Land Improvements Outlay	10,000

Transportation Equipment Outlay	8,580
Total Capital Outlays	268,580
TOTAL NEW APPROPRIATIONS	1,067,198

E. PHILIPPINE VETERANS AFFAIRS OFFICE (PVAO) - PROPER

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 738,614,000

New Appropriations, by Program

PROGRAMS	Current Operating Expenditures				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
General Administration and Support	P 35,043,000	P 48,189,000		P 6,700,000	P 89,932,000
Operations	95,029,000	376,553,000		177,100,000	648,682,000
VETERANS' WELFARE AND BENEFITS ADMINISTRATION OF PROGRAM	79,489,000	330,674,000		52,100,000	462,263,000
VETERANS AFFAIRS MANAGEMENT PROGRAM	3,692,000	11,750,000			15,442,000
VETERANS MEMORIAL AND HISTORICAL PRESERVATION PROGRAM	11,848,000	34,129,000		125,000,000	170,977,000
TOTAL NEW APPROPRIATIONS	P 130,072,000	P 424,742,000		P 183,800,000	P 738,614,000

Special Provision(s)

1. Revolving Fund for Military Shrine Installation and Facilities. The revolving fund constituted from the entrance fees and rentals from military shrine installation and facilities, and board and lodging shall be used to cover the MOOE and Capital Outlay requirements of said facilities. Disbursements shall be made in accordance with guidelines issued by DND and budgeting, accounting and auditing rules and regulations.

Disbursements or expenditures by the Philippine Veterans Affairs Office (PVAO) 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 criminal action under existing penal laws.

The PVAO shall submit its quarterly reports on income and expenditure with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on PVAO's website for a period of three (3) years. The Administrator of PVAO shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

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

New Appropriations, by Programs/Activities/Projects

	Current Operating Expenditures				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total

PROGRAMS

General Administration and Support								
General management and supervision	P	33,748,000	P	48,189,000	P	6,700,000	P	88,637,000
Administration of Personnel Benefits		1,295,000						1,295,000
Sub-total, General Administration and Support		35,043,000		48,189,000		6,700,000		89,932,000
Operations								
Filipino Veterans empowered		83,181,000		342,424,000		52,100,000		477,705,000
VETERANS' WELFARE AND BENEFITS ADMINISTRATION OF PROGRAM		79,489,000		330,674,000		52,100,000		462,263,000
Processing of veterans' claims		64,296,000		36,008,000				100,304,000
Payment of veterans' benefits				266,598,000				266,598,000
Investigation, verification of records, strengthening of internal control system and conduct of management and system audit		15,193,000		20,526,000		500,000		36,219,000
Project(s)								
Locally-Funded Project(s)				7,542,000		51,600,000		59,142,000
Establishment of Veterans Hospital in Mindanao						30,000,000		30,000,000
Upgrading to a Fiber Optic Local Area Network				1,334,000		10,500,000		11,834,000
Procurement of ICT Equipment for Office Productivity				1,290,000		11,100,000		12,390,000
Migration to Government Shared Services				4,755,000				4,755,000
Implementation of ISSP				163,000				163,000
VETERANS AFFAIRS MANAGEMENT PROGRAM		3,692,000		11,750,000				15,442,000
Provide assistance in empowering of veterans organizations		3,692,000		11,750,000				15,442,000
Filipinos' appreciation and gratitude for veterans' service demonstrated		11,848,000		34,129,000		125,000,000		170,977,000
VETERANS MEMORIAL AND HISTORICAL PRESERVATION PROGRAM		11,848,000		34,129,000		125,000,000		170,977,000
Administration and management of national military shrines		10,511,000		27,275,000				37,786,000
Historical research and preservation		1,337,000		1,295,000				2,632,000
Celebration of veteran-related events				5,559,000				5,559,000

Project(s)			
Locally-Funded Project(s)		125,000,000	125,000,000
Development of Libingan ng mga Bayani-Phase 2		100,000,000	100,000,000
Rehabilitation and Improvement of Capas National Shrine		25,000,000	25,000,000
Sub-total, Operations	95,029,000	376,553,000	177,100,000
TOTAL NEW APPROPRIATIONS	P 130,072,000	P 424,742,000	P 183,800,000
New Appropriations, by Object of Expenditures			
(In Thousand Pesos)			
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary			94,377
Total Permanent Positions			94,377
Other Compensation Common to All			
Personnel Economic Relief Allowance			8,232
Representation Allowance			648
Transportation Allowance			648
Clothing and Uniform Allowance			1,715
Honoraria			1,800
Mid-Year Bonus - Civilian			7,865
Year End Bonus			7,865
Cash Gift			1,715
Step Increment			236
Productivity Enhancement Incentive			1,715
Total Other Compensation Common to All			32,439
Other Benefits			
PAG-IBIG Contributions			412
PhilHealth Contributions			987
Employees Compensation Insurance Premiums			412
Loyalty Award-Civilian			150
Terminal Leave			1,295
Total Other Benefits			3,256
Total Personnel Services			130,072
Maintenance and Other Operating Expenses			
Travelling Expenses			4,355
Training and Scholarship Expenses			3,062

Supplies and Materials Expenses	31,602
Utility Expenses	18,613
Communication Expenses	22,699
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	380
Professional Services	16,495
General Services	23,651
Repairs and Maintenance	15,365
Taxes, Insurance Premiums and Other Fees	508
Other Maintenance and Operating Expenses	
Advertising Expenses	696
Printing and Publication Expenses	4,122
Representation Expenses	9,150
Transportation and Delivery Expenses	72
Rent/Lease Expenses	6,387
Subscription Expenses	982
Donations	266,598
Other Maintenance and Operating Expenses	5
Total Maintenance and Other Operating Expenses	424,742
Total Current Operating Expenditures	554,814
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures Outlay	25,000
Heritage Assets	100,000
Land Improvement Outlay	30,000
Machinery and Equipment Outlay	28,450
Furnitures and Fixtures and Books Outlay	150
Other Property, Plant and Equipment Outlay	200
Total Capital Outlays	183,800
TOTAL NEW APPROPRIATIONS	738,614

F. VETERANS MEMORIAL MEDICAL CENTER

For general administration and support, and operations, as indicated hereunder.....P 1,625,669,000
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New Appropriations, by Program
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PROGRAMS	Current Operating Expenditures				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
General Administration and Support	P 122,662,000	P 189,214,000		P 38,410,000	P 350,286,000
Operations	578,350,000	614,533,000		82,500,000	1,275,383,000
VETERAN HEALTH CARE PROGRAM	578,350,000	614,533,000		82,500,000	1,275,383,000
TOTAL NEW APPROPRIATIONS	P 701,012,000	P 803,747,000		P 120,910,000	P 1,625,669,000

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 Veterans Memorial Medical Center (VMNC) 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.

Likewise, all revenues derived from the VMNC 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 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 hospital's MOOE and Capital Outlay requirements.

In no case shall income from hospital and golf course operations be used for the payment of salaries and allowances of the hospital's permanent and regular employees.

Disbursements or expenditures by the VMNC 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 criminal action under existing penal laws.

The VMNC 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 VMNC and the hospital's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the VMNC website.

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

New Appropriations, by Programs/Activities/Projects

=====

Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support					
General management and supervision	P 82,688,000	P 189,214,000		P 38,410,000	P 310,312,000
Administration of Personnel Benefits	39,974,000				39,974,000
Sub-total, General Administration and Support	122,662,000	189,214,000		38,410,000	350,286,000
Operations					
Quality Health Care Services Provided to Veterans and their Dependents	578,350,000	614,533,000		82,500,000	1,275,383,000
VETERAN HEALTH CARE PROGRAM	578,350,000	614,533,000		82,500,000	1,275,383,000
In-Patient care	544,007,000	529,851,000		82,500,000	1,156,358,000
Out-Patient care	34,343,000	84,682,000			119,025,000
Sub-total, Operations	578,350,000	614,533,000		82,500,000	1,275,383,000
TOTAL NEW APPROPRIATIONS	P 701,012,000	P 803,747,000		P 120,910,000	P 1,625,669,000

New Appropriations, by Object of Expenditures**(In Thousand Pesos)****Current Operating Expenditures****Personnel Services****Civilian Personnel****Permanent Positions**

Basic Salary	426,040
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Total Permanent Positions	426,040
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Other Compensation Common to All

Personnel Economic Relief Allowance	30,792
Representation Allowance	432
Transportation Allowance	432
Clothing and Uniform Allowance	6,420
Mid-Year Bonus - Civilian	35,504
Year End Bonus	35,504
Cash Gift	6,420
Step Increment	1,065
Productivity Enhancement Incentive	6,420

Total Other Compensation Common to All	122,989
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Other Compensation for Specific Groups

Magna Carta for Public Health Workers	101,383
Night Shift Differential Pay	2,532
Lump-sum for filling of Positions-Civilian	28,141

Total Other Compensation for Specific Groups	132,056
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Other Benefits

PAG-IBIG Contributions	1,541
PhilHealth Contributions	4,004
Employees Compensation Insurance Premiums	1,541
Loyalty Award-Civilian	1,008
Terminal Leave	11,833

Total Other Benefits	19,927
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Total Personnel Services	701,012
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Maintenance and Other Operating Expenses

Travelling Expenses	155
Training and Scholarship Expenses	1,854
Supplies and Materials Expenses	638,160
Utility Expenses	96,864
Communication Expenses	1,571
Awards/Rewards and Prizes	300
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	110

Professional Services	5,560
General Services	46,011
Repairs and Maintenance	3,869
Taxes, Insurance Premiums and Other Fees	732
Other Maintenance and Operating Expenses	
Advertising Expenses	113
Representation Expenses	635
Rent/Lease Expenses	7,250
Membership Dues and Contributions to Organizations	30
Subscription Expenses	533
Total Maintenance and Other Operating Expenses	803,747
Total Current Operating Expenditures	1,504,759
Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	20,000
Machinery and Equipment Outlay	80,800
Intangible Assets Outlay	12,110
Total Capital Outlays	120,910
TOTAL NEW APPROPRIATIONS	1,625,669

G. ARMED FORCES OF THE PHILIPPINES**G.1. PHILIPPINE ARMY (LAND FORCES)**

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 63,998,132,000

New Appropriations, by Program

PROGRAMS	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>
General Administration and Support	P 8,323,552,000	P 1,094,889,000	P	P 9,418,441,000
Operations	43,801,685,000	9,997,604,000		780,402,000
LAND FORCES DEFENSE PROGRAM	43,801,685,000	9,997,604,000		780,402,000
TOTAL NEW APPROPRIATIONS	P52,125,237,000	P11,092,493,000	P	P 780,402,000 P 63,998,132,000

Special Provision(s)

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Fort Bonifacio 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, s. 1987, and to appropriate criminal action under existing penal 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 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 amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

The Philippine Army shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Army's website for a period of three (3) years. The Commanding General of the Philippine Army shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. **Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units.** The amount of Three Billion Four Hundred Thirteen Million Five Hundred Fifty Three Thousand Pesos (P3,413,553,000) 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 DWD Circular No. 4 dated October 27, 2005.

The Philippine Army shall submit its annual report indicating the number of existing CAFGU members and the year of their recruitment with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Army's website for a period of three (3) years. The Commanding General of the Philippine Army shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

4. **Combat Expenses.** An amount not exceeding One Hundred Thousand Pesos (P100,000) 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 herein appropriated for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.

7. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

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Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support					
General management and supervision	P 3,575,874,000	P 1,094,889,000		P	P 4,670,763,000
Administration of Personnel Benefits	4,747,678,000				4,747,678,000
Sub-total, General Administration and Support	8,323,552,000	1,094,889,000			9,418,441,000
Operations					
Level of mission capability of army units in ground operations attained	43,801,685,000	9,997,604,000		780,402,000	54,579,691,000

LAND FORCES DEFENSE PROGRAM	43,801,685,000	9,997,604,000	780,402,000	54,579,691,000
Force-Level Support Services	2,399,832,000	610,149,000	268,979,000	3,278,960,000
Force Development		1,107,779,000		1,107,779,000
Force Sustainment	41,401,853,000	8,279,676,000	491,423,000	50,172,952,000
Project(s)				
Locally-Funded Project(s)			20,000,000	20,000,000
Construction of MPB (10 door apartment), Philippine Army Headquarters, Fort Andres Bonifacio, Taguig			20,000,000	20,000,000
Sub-total, Operations	43,801,685,000	9,997,604,000	780,402,000	54,579,691,000
TOTAL NEW APPROPRIATIONS	P52,125,237,000	P11,092,493,000	P 780,402,000	P 63,998,132,000

New Appropriations, by Object of Expenditures

=====

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

294,063

Total Permanent Positions

294,063

Other Compensation Common to All

Personnel Economic Relief Allowance

30,768

Representation Allowance

300

Transportation Allowance

300

Clothing and Uniform Allowance

6,410

Honoraria

106

Mid-Year Bonus - Civilian

24,505

Year End Bonus

24,505

Cash Gift

6,410

Step Increment

735

Productivity Enhancement Incentive

6,410

Total Other Compensation Common to All

100,449

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

34,101

Longevity Pay

4,896

Total Other Compensation for Specific Groups

38,997

Other Benefits

PAG-IBIG Contributions	1,538
PhilHealth Contributions	3,430
Employees Compensation Insurance Premiums	1,538
Retirement Gratuity	16,348
Terminal Leave	5,975

Total Other Benefits	28,829
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Military/Uniformed Personnel**Basic Pay**

Base Pay	19,027,377
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Total Basic Pay	19,027,377
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Other Compensation Common to All

Personnel Economic Relief Allowance	2,088,048
Clothing/ Uniform Allowance	798,768
Subsistence Allowance	8,176,914
Laundry Allowance	33,749
Quarters Allowance	443,220
Longevity Pay	4,443,844
Mid-Year Bonus - Military/Uniformed Personnel	1,585,616
Officers' Allowance - Military/Uniformed Personnel	348,960
Provisional Allowance - Military/Uniformed Personnel	3,529,487
Year-end Bonus	1,585,616
Cash Gift	435,010
Productivity Enhancement Incentive	435,010

Total Other Compensation Common to All	23,904,242
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Other Compensation for Specific Groups

Hazardous Duty Pay	133,179
Hazard Duty Pay	720,378
Flying Pay	10,410
Combat Duty Pay	2,115,288
Instructor's Duty Pay	145,268
Reservist's Pay	253,306
Medal of Valor Award	19,800
Parachutist Pay	170,475
Lump-sum for filling of Positions- Military/Uniformed Personnel (MUP)	3,644,995

Total Other Compensation for Specific Groups	7,213,099
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Other Benefits

Special Group Term Insurance	6,262
PAG-IBIG Contributions	104,403
PhilHealth Contributions	222,753
Employees Compensation Insurance Premiums	104,403
Terminal Leave	1,080,360

Total Other Benefits	1,518,181
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Total Personnel Services	52,125,237
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Maintenance and Other Operating Expenses

Travelling Expenses	383,965
Training and Scholarship Expenses	345,881
Supplies and Materials Expenses	5,570,321
Utility Expenses	526,646
Communication Expenses	119,048
Awards/Rewards and Prizes	1,557
Survey, Research, Exploration and Development Expenses	5,233
Demolition/Relocation and Desilting/Dredging Expenses	1,053
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	444,000
Professional Services	49,095
General Services	9,276
Repairs and Maintenance	2,279,831
Financial Assistance/Subsidy	732,264
Taxes, Insurance Premiums and Other Fees	57,185
Labor and Wages	63,271
Other Maintenance and Operating Expenses	
Advertising Expenses	1,504
Printing and Publication Expenses	17,148
Representation Expenses	444,273
Transportation and Delivery Expenses	77,797
Rent/Lease Expenses	25,285
Membership Dues and Contributions to Organizations	185
Subscription Expenses	2,539
Other Maintenance and Operating Expenses	15,136

Total Maintenance and Other Operating Expenses	11,092,493
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Total Current Operating Expenditures	63,217,730
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Capital Outlays

Property, Plant and Equipment Outlay	
Buildings and Other Structures	32,275
Machinery and Equipment Outlay	397,059
Transportation Equipment Outlay	351,068

Total Capital Outlays	780,402
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TOTAL NEW APPROPRIATIONS	63,998,132
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6.2. PHILIPPINE AIR FORCE (AIR FORCES)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 19,720,330,000

New Appropriations, by Program

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Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support	P 1,189,954,000	P 473,539,000		P 990,000	P 1,664,483,000

Operations	9,296,575,000	8,428,552,000	330,720,000	18,055,847,000
AIR FORCES DEFENSE PROGRAM	9,296,575,000	8,428,552,000	330,720,000	18,055,847,000
TOTAL NEW APPROPRIATIONS	P10,486,529,000	P 8,902,091,000	P 331,710,000	P 19,720,330,000

Special Provision(s)

1. **Hospital Income.** In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Air Force 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, s. 1987 and to appropriate criminal action under existing penal laws.

The Philippine Air Force 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 Air Force 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 Air Force 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 Air Force shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

The Philippine Air Force shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Air Force website for a period of three (3) years. The Commanding General of the Philippine Air Force shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. **Combat Expenses.** An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each Philippine Air Force squadron 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 Air Force.

5. **Rice Subsidy.** The amount appropriated herein for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.

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

New Appropriations, by Programs/Activities/Projects

<u>Current Operating Expenditures</u>					
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support					
General management and supervision	P 521,782,000	P 473,539,000		P 990,000	P 996,311,000
Administration of Personnel Benefits	668,172,000				668,172,000

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Sub-total, General Administration and Support	1,189,954,000	473,539,000	990,000	1,664,483,000
Operations				
Level of mission capability of Air Force Units in air operations attained	9,296,575,000	8,428,552,000	330,720,000	18,055,847,000
AIR FORCES DEFENSE PROGRAM	9,296,575,000	8,428,552,000	330,720,000	18,055,847,000
Force-Level Support Services	2,273,893,000	264,319,000	11,943,000	2,550,155,000
Force Development	3,487,685,000	3,881,934,000	203,401,000	7,573,020,000
Force Sustainment	3,534,997,000	4,281,659,000	104,016,000	7,920,672,000
Project(s)				
Locally-Funded Project(s)		640,000	11,360,000	12,000,000
Construction of EP Barracks with utilities and amenities at Col. Ernesto Ravina Air Base, Capas, Tarlac		640,000	11,360,000	12,000,000
Sub-total, Operations	9,296,575,000	8,428,552,000	330,720,000	18,055,847,000
TOTAL NEW APPROPRIATIONS	P10,486,529,000	P 8,902,091,000	P 331,710,000	P 19,720,330,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary	273,213
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Total Permanent Positions	273,213
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Other Compensation Common to All

Personnel Economic Relief Allowance	29,880
Representation Allowance	180
Transportation Allowance	180
Clothing and Uniform Allowance	6,225
Mid-Year Bonus - Civilian	22,768
Year End Bonus	22,768
Cash Gift	6,225
Step Increment	683
Productivity Enhancement Incentive	6,225

Total Other Compensation Common to All	95,134
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Other Compensation for Specific Groups

Magna Carta for Public Health Workers	27,896
Radiation Hazard Pay	5,239

Longevity Pay	3,598
Total Other Compensation for Specific Groups	36,733
Other Benefits	
PAG-IBIG Contributions	1,494
PhilHealth Contributions	3,123
Employees Compensation Insurance Premiums	1,494
Retirement Gratuity	25,174
Loyalty Award-Civilian	1,130
Terminal Leave	11,582
Total Other Benefits	43,997
Military/Uniformed Personnel	
Basic Pay	
Base Pay	4,031,550
Total Basic Pay	4,031,550
Other Compensation Common to All	
Personnel Economic Relief Allowance	404,568
Clothing/ Uniform Allowance	214,207
Subsistence Allowance	922,922
Laundry Allowance	6,887
Quarters Allowance	93,523
Longevity Pay	809,228
Mid-Year Bonus - Military/Uniformed Personnel	335,963
Officers' Allowance - Military/Uniformed Personnel	106,560
Provisional Allowance - Military/Uniformed Personnel	914,244
Year-end Bonus	335,963
Cash Gift	84,285
Productivity Enhancement Incentive	84,285
Total Other Compensation Common to All	4,312,635
Other Compensation for Specific Groups	
Hazardous Duty Pay	100,879
Hazard Duty Pay	139,578
Flying Pay	413,398
Hardship Allowance	9,868
Combat Duty Pay	212,472
Instructor's Duty Pay	33,675
Reservist's Pay	55,231
Medal of Valor Award	1,800
Specialist Pay	2,603
Parachutist Pay	3,726
Lump-sum for filling of Positions-Military/Uniformed Personnel (MUP)	502,130
Total Other Compensation for Specific Groups	1,475,360
Other Benefits	
Special Group Term Insurance	1,214
PAG-IBIG Contributions	20,229
PhilHealth Contributions	46,949
Employees Compensation Insurance Premiums	20,229

Terminal Leave	129,286
Total Other Benefits	217,907
Total Personnel Services	10,486,529
Maintenance and Other Operating Expenses	
Travelling Expenses	264,713
Training and Scholarship Expenses	88,435
Supplies and Materials Expenses	2,907,918
Utility Expenses	368,323
Communication Expenses	42,654
Awards/Rewards and Prizes	1,550
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	32,000
Professional Services	7,832
General Services	13,741
Repairs and Maintenance	4,809,235
Financial Assistance/Subsidy	131,859
Semi-Expendable, Machineries and Equipment Expenses	270
Semi-Expendable, Furniture, Fixtures and Books Expenses	370
Taxes, Insurance Premiums and Other Fees	19,166
Other Maintenance and Operating Expenses	
Advertising Expenses	1,694
Printing and Publication Expenses	6,076
Representation Expenses	188,612
Transportation and Delivery Expenses	10,154
Rent/Lease Expenses	2,171
Membership Dues and Contributions to Organizations	45
Subscription Expenses	3,770
Donations	1,500
Other Maintenance and Operating Expenses	3
Total Maintenance and Other Operating Expenses	8,902,091
Total Current Operating Expenditures	19,388,620
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	46,000
Machinery and Equipment Outlay	89,334
Transportation Equipment	196,376
Total Capital Outlays	331,710
TOTAL NEW APPROPRIATIONS	19,720,330

G.3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 21,299,554,000

New Appropriations, by Program

Current Operating Expenditures

Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
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PROGRAMS

General Administration and Support	3,077,682,000	729,228,000	P	3,806,910,000
Operations	10,253,601,000	6,236,059,000		1,002,984,000 17,492,644,000
NAVAL FORCES DEFENSE PROGRAM	10,253,601,000	6,236,059,000		1,002,984,000 17,492,644,000
TOTAL NEW APPROPRIATIONS	P13,331,283,000	P 6,965,287,000	P	1,002,984,000 P 21,299,554,000

Special Provision(s)

1. **Hospital Income.** In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy 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, s. 1987, 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 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, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

The Philippine Navy shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Navy website for a period of three (3) years. The Flag-Officer-In-Command of the Philippine Navy shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. **Combat Expenses.** An amount not exceeding One Hundred Thousand Pesos (P100,000) 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 appropriated herein for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.

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

New Appropriations, by Programs/Activities/Projects

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Current Operating Expenditures

	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS					
General Administration and Support					
General management and supervision	P 2,777,267,000	P 729,228,000	P		P 3,506,495,000

Administration of Personnel Benefits	300,415,000			300,415,000
Sub-total, General Administration and Support	3,077,682,000	729,228,000		3,806,910,000
Operations				
Level of mission capability of navy units in naval operations attained	10,253,601,000	6,236,059,000	1,002,984,000	17,492,644,000
NAVAL FORCES DEFENSE PROGRAM	10,253,601,000	6,236,059,000	1,002,984,000	17,492,644,000
Force-level Support Services	697,997,000	644,177,000		1,342,174,000
Force Development	8,243,119,000	4,006,659,000	931,984,000	13,181,762,000
Force Sustainment	1,312,485,000	1,580,223,000		2,892,708,000
Project(s)				
Locally-Funded Project(s)		5,000,000	71,000,000	76,000,000
Construction of Assault Armor Battalion Facilities			40,000,000	40,000,000
Completion of Naval Research and Development Center (Laboratory), Naval Sea System Command, Fort San Felipe, Cavite City			2,000,000	2,000,000
Construction of NETC Barracks, Naval Education and Training Command, San Antonio, Zambales			10,000,000	10,000,000
Construction of EP Barracks, Marine Base, Calumpang, Ternate, Cavite			14,000,000	14,000,000
Construction of Senior EP Barracks, Naval Special Operations Group (NAVSOG), Sangley Point, Cavite City			5,000,000	5,000,000
Repair and Rehabilitation of Headquarters Building, Naval Special Operations Group (NAVSOG), Sangley Point, Cavite City		5,000,000		5,000,000
Sub-total, Operations	10,253,601,000	6,236,059,000	1,002,984,000	17,492,644,000
TOTAL NEW APPROPRIATIONS	13,331,283,000	6,965,287,000	1,002,984,000	21,299,554,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

238,474

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Total Permanent Positions	238,474
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Other Compensation Common to All	
Personnel Economic Relief Allowance	24,600
Representation Allowance	240
Transportation Allowance	240
Clothing and Uniform Allowance	5,125
Mid-Year Bonus - Civilian	19,873
Year End Bonus	19,873
Cash Gift	5,125
Step Increment	596
Productivity Enhancement Incentive	5,125
Total Other Compensation Common to All	80,797
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Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	15,863
Longevity Pay	4,229
Anniversary Bonus-Civilian	3,075
Anniversary Bonus-Military/Uniformed Personnel	69,936
Total Other Compensation for Specific Groups	93,103
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Other Benefits	
PAG-IBIG Contributions	1,230
PhilHealth Contributions	2,717
Employees Compensation Insurance Premiums	1,230
Retirement Gratuity	11,629
Loyalty Award-Civilian	460
Terminal Leave	4,039
Total Other Benefits	21,305
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Military/Uniformed Personnel	
Basic Pay	
Base Pay	5,550,140
Total Basic Pay	5,550,140
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Other Compensation Common to All	
Personnel Economic Relief Allowance	559,488
Clothing/ Uniform Allowance	192,143
Subsistence Allowance	1,276,332
Laundry Allowance	9,472
Quarters Allowance	126,162
Longevity Pay	1,159,463
Mid-Year Bonus - Military/Uniformed Personnel	462,511
Officers' Allowance - Military/Uniformed Personnel	136,134
Provisional Allowance - Military/Uniformed Personnel	1,256,524
Year-end Bonus	462,511
Cash Gift	116,560
Productivity Enhancement Incentive	116,560
Total Other Compensation Common to All	5,873,860
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Other Compensation for Specific Groups

Hazardous Duty Pay	155,355
Overseas Allowance	14,292
Hazard Duty Pay	193,023
Flying Pay	30,253
Sea Duty Pay	170,902
Hardship Allowance	57,935
Combat Duty Pay	349,812
Instructor's Duty Pay	32,302
Reservist's Pay	39,677
Medal of Valor Award	6,300
Specialist's Pay	636
Parachutist Pay	15,885

Total Other Compensation for Specific Groups**1,066,372****Other Benefits**

Special Group Term Insurance	1,678
PAG-IBIG Contributions	27,975
PhilHealth Contributions	64,857
Employees Compensation Insurance Premiums	27,975
Terminal Leave	284,747

Total Other Benefits**407,232****Total Personnel Services****13,331,283****Maintenance and Other Operating Expenses**

Travelling Expenses	93,239
Training and Scholarship Expenses	131,591
Supplies and Materials Expenses	3,068,862
Utility Expenses	433,473
Communication Expenses	101,024
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	54,749
Professional Services	27,661
General Services	11,422
Repairs and Maintenance	2,352,481
Financial Assistance/Subsidy	181,748
Taxes, Insurance Premiums and Other Fees	44,388
Other Maintenance and Operating Expenses	
Printing and Publication Expenses	8,670
Representation Expenses	156,197
Transportation and Delivery Expenses	37,332
Rent/Lease Expenses	22,410
Subscription Expenses	14,668
Other Maintenance and Operating Expenses	225,372

Total Maintenance and Other Operating Expenses**6,965,287****Total Current Operating Expenditures****20,296,570****Capital Outlays**

Property, Plant and Equipment Outlay	
Buildings and Other Structures	71,000
Infrastructure Outlay	85,692

Machinery and Equipment Outlay	23,971
Transportation Equipment Outlay	822,321
Total Capital Outlays	1,002,984
TOTAL NEW APPROPRIATIONS	21,299,554

G.4. GENERAL HEADQUARTERS, AFP AND AFP-WIDE SUPPORT AND SEPARATE UNITS (AFPMSSUs)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder...P 38,945,730,000

New Appropriations, by Program

PROGRAMS	<u>Current Operating Expenditures</u>				
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
General Administration and Support	P 2,592,548,000	P 393,392,000	P	P	P 2,985,940,000
Operations	3,385,669,000	6,609,190,000	19,000	25,964,912,000	35,959,790,000
JOINT FORCE PLANNING PROGRAM	373,450,000	456,749,000	19,000		830,218,000
JOINT FORCE OPERATIONS PROGRAM	1,648,930,000	4,609,077,000		150,552,000	6,408,559,000
JOINT FORCE CAPABILITY PROGRAM	1,363,289,000	1,543,364,000		25,814,360,000	28,721,013,000
TOTAL NEW APPROPRIATIONS	P 5,978,217,000	P 7,002,582,000	P 19,000	P 25,964,912,000	P 38,945,730,000

Special Provision(s)

1. **Hospital Income.** In addition to the amounts appropriated herein, all income generated from the operations of the AFP Medical Center 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 income 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 criminal action under existing penal laws.

The General Headquarters of the AFP 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 AFP Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the AFP website.

2. **Trust Receipts from the Use of Equipment and Facilities.** Fees and charges from the use of equipment and facilities collected by the AFP 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.

The General Headquarters of the AFP shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House

Committee on Appropriations and the Senate Committee on Finance, by posting said reports on AFP website for a period of three (3) years. The AFP Chief of Staff shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. **Trust Receipts from Firearms License Fees.** Thirty percent (30%) net proceeds of the firearms license fees collected by the PNP shall be used for the scholarship privileges to surviving children of deceased or permanently incapacitated military personnel in accordance with R.A. No. 6963. Said fees shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.

The General Headquarters of the AFP shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury, including the list of beneficiaries of the scholarship program with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on AFP website for a period of three (3) years. The AFP Chief of Staff shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

4. **Trust Receipts for the United Nations Peacekeeping Operations.** The funds provided by the United Nations for the peacekeeping operations shall be used to cover the allowance, uniform, gear and equipment, weaponry and training ammunition, pre-deployment expenses, and maintenance of the Peacekeeping Training Center subject to the condition that said funds shall first be used to reimburse any advances made by the National Government to fund the foregoing requirements. Said funds shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.

The General Headquarters of the AFP shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on AFP website for a period of three (3) years. The AFP Chief of Staff shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

5. **Armed Forces of the Philippines Modernization Program.** The amount of Twenty Five Billion Pesos (P25,000,000,000) appropriated herein for the Revised AFP Modernization Program shall be used exclusively to support the funding requirements for the modernization projects in accordance with R.A. No. 10349.

The allotment for the purpose shall be issued prior to procurement activity. The DND shall submit a written request attaching the list of modernization projects to be procured during the year as approved by the President.

The General Headquarters of the AFP shall submit its quarterly program accountability reports with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on AFP website for a period of three (3) years. The AFP Chief of Staff shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

6. **Intelligence and Confidential Funds.** No appropriations authorized under the AFP shall be released or disbursed for intelligence activities, including amounts sourced from savings, unless approved by the President of the Philippines, or specifically identified and authorized as intelligence fund.

The use of savings to augment intelligence funds is subject to prior approval of the President of the Philippines, upon joint recommendation by the Secretary of National Defense and the Secretary of Budget and Management.

Confidential funds authorized under the AFP shall be released or disbursed only upon approval of the Secretary of National Defense.

Implementation of this provision shall be subject to COA-DBM-DILG-GCG-DND J.C. No. 2015-01 dated January 8, 2015 and such other guidelines issued by agencies concerned.

7. **AFP Resilience Fund.** The amount of Seventy Five Million Pesos (P75,000,000) appropriated herein shall fund the conduct of risk assessment in AFP facilities and installations; the implementation of climate and disaster resilience pilot projects in military installations; and the development of the AFP climate and disaster resilience toolkit which shall be a guide on interventions for increasing the climate and disaster resilience of the AFP and its units.

The AFP shall consider climate change and projections and outlook and incorporate the impacts of climate and disasters into its planning processes, including its defense planning guidelines and AFP Transformation Roadmap. Funding for this purpose shall be reviewed every year towards building incremental improvements in the resilience of the AFP.

8. **Quick Response Fund.** The amount of Seven Hundred Fifty Million Pesos (P750,000,000) appropriated herein for the Quick Response Fund (QRF) shall serve as a standby fund to be used for the relief, rehabilitation and reconstruction programs and projects, including pre-positioning of supplies and equipment in order that the situation and living conditions of people living in communities or areas stricken by calamities, epidemics, crises, and catastrophes, which occurred in the last quarter of the immediately preceding year and those occurring during the current year may be normalized as quickly as possible. In no case shall the QRF be used for pre-disaster activities, nor be realigned for any other purpose not authorized in this Act.

The AFP-GHQ shall submit to the DBM, the National Disaster Risk Reduction Management Council, the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations, the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the status of the utilization of QRF. The Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DND.

9. **Bilateral Engagements.** The amounts appropriated for bilateral engagements shall be administered by the General Headquarters of the AFP. Any materiel, supplies, equipment, facilities and other property received by the General Headquarters in connection with the activities undertaken pursuant to said bilateral engagements shall be recorded or booked-up as government property.

10. **Combat Expenses.** An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each company or its equivalent in the General Headquarters of the AFP 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.

11. **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 Major Services and the General Headquarters of the AFP shall be used exclusively for said purposes.

12. **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 General Headquarters of the AFP.

13. **Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations.** Expenses incurred by the Major Services and the General Headquarters of the AFP 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 AFP 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.

14. **Rice Subsidy.** The amount herein appropriated for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.

15. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>				<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS					
General Administration and Support					
General management and supervision	P 1,477,587,000	P 393,392,000	P		P 1,870,979,000
National Capital Region (NCR)	1,477,587,000	393,392,000			1,870,979,000
General Headquarters - Proper	1,477,587,000	393,392,000			1,870,979,000
Administration of Personnel Benefits	1,114,961,000				1,114,961,000
National Capital Region (NCR)	1,081,905,000				1,081,905,000
Armed Forces of the Philippines Medical Center	69,072,000				69,072,000
General Headquarters - Proper	1,004,109,000				1,004,109,000
Presidential Security Group	8,724,000				8,724,000

GENERAL APPROPRIATIONS ACT, FY 2018

Cordillera Administrative Region (CAR)	33,056,000			33,056,000
Philippine Military Academy	33,056,000			33,056,000
Sub-total, General Administration and Support	2,592,548,000	393,392,000		2,985,940,000
Operations				
Sovereignty of the State and the Filipino people protected	3,385,669,000	6,609,190,000	19,000	25,964,912,000
JOINT FORCE PLANNING PROGRAM	373,450,000	456,749,000	19,000	830,218,000
Military policy and strategic formulation	373,450,000	456,749,000	19,000	830,218,000
National Capital Region (NCR)	373,450,000	456,749,000	19,000	830,218,000
General Headquarters - Proper	373,450,000	456,749,000	19,000	830,218,000
JOINT FORCE OPERATIONS PROGRAM	1,648,930,000	4,609,077,000		150,552,000
JOINT FORCE OPERATIONS SUB-PROGRAM	1,000,000,000	625,979,000		16,577,000
Joint force combatant command	1,000,000,000	448,327,000		1,448,327,000
National Capital Region (NCR)	1,000,000,000	448,327,000		1,448,327,000
General Headquarters - Proper	1,000,000,000	448,327,000		1,448,327,000
Multinational/Foreign Engagements and Peace Support Operations		177,652,000		16,577,000
National Capital Region (NCR)		177,652,000		16,577,000
General Headquarters - Proper		177,652,000		16,577,000
JOINT FORCE SUPPORT OPERATIONS SUB-PROGRAM	648,930,000	3,983,098,000		133,975,000
Presidential Security and Protection (Presidential Security Group)	176,014,000	273,899,000		133,975,000
National Capital Region (NCR)	176,014,000	273,899,000		133,975,000
Presidential Security Group	176,014,000	273,899,000		133,975,000
Joint force support command	472,916,000	3,709,199,000		4,182,115,000
National Capital Region (NCR)	472,916,000	3,709,199,000		4,182,115,000
General Headquarters - Proper	472,916,000	3,709,199,000		4,182,115,000
JOINT FORCE CAPABILITY PROGRAM	1,363,289,000	1,543,364,000		25,814,360,000
JOINT FORCE SERVICE SUPPORT OPERATIONS SUB-PROGRAM	2,179,000	209,537,000		211,716,000

Joint Force Support Units	955,000	85,181,000	86,136,000
National Capital Region (NCR)	955,000	85,181,000	86,136,000
General Headquarters - Proper	955,000	85,181,000	86,136,000
Reserve Force Development	1,224,000	10,320,000	11,544,000
National Capital Region (NCR)	1,224,000	10,320,000	11,544,000
General Headquarters - Proper	1,224,000	10,320,000	11,544,000
Ordnance Build-up/Strategic lift and mobility		114,036,000	114,036,000
National Capital Region (NCR)		114,036,000	114,036,000
General Headquarters - Proper		114,036,000	114,036,000
MILITARY MEDICAL AND TRAINING SUPPORT SUB-PROGRAM	1,361,110,000	1,296,327,000	2,657,437,000
Tertiary Health Care (AFP Medical Center)	512,503,000	1,101,033,000	1,613,536,000
National Capital Region (NCR)	512,503,000	1,101,033,000	1,613,536,000
Armed Forces of the Philippines Medical Center	512,503,000	1,101,033,000	1,613,536,000
Post-Commission training program	3,557,000	30,369,000	33,926,000
National Capital Region (NCR)	3,557,000	30,369,000	33,926,000
General Headquarters - Proper	3,557,000	30,369,000	33,926,000
Pre-Commission Officer Training (Philippine Military Academy)	845,050,000	164,925,000	1,009,975,000
Cordillera Administrative Region (CAR)	845,050,000	164,925,000	1,009,975,000
Philippine Military Academy	845,050,000	164,925,000	1,009,975,000
Projects			
Locally-Funded Project(s)		37,500,000	25,814,360,000
AFP MODERNIZATION SUB-PROGRAM			25,000,000,000
Revised AFP Modernization Program			25,000,000,000
Quick Response Fund			750,000,000
AFP Resilience Fund		37,500,000	75,000,000

Procurement of Fixed Communication System (FCS)				10,360,000	10,360,000
Park Development (PMA Class '95 picnic area), Philippine Military Academy, Fort Del Pilar, Baguio City				5,000,000	5,000,000
Construction of Multi-Level Parking, Philippine Military Academy, Fort Del Pilar, Baguio City				8,500,000	8,500,000
Construction of Barracks, Camp Servillano Aquino, Tarlac, Tarlac				3,000,000	3,000,000
Sub-total, Operations	3,385,669,000	6,609,190,000	19,000	25,964,912,000	35,959,790,000
TOTAL NEW APPROPRIATIONS	P 5,978,217,000	P 7,002,582,000	P 19,000	P25,964,912,000	P 38,945,730,000

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary	646,103
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Total Permanent Positions	646,103
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Other Compensation Common to All

Personnel Economic Relief Allowance	66,768
Representation Allowance	420
Transportation Allowance	420
Clothing and Uniform Allowance	13,910
Mid-Year Bonus - Civilian	53,842
Year End Bonus	53,842
Cash Gift	13,910
Step Increment	1,616
Productivity Enhancement Incentive	13,910

Total Other Compensation Common to All	218,638
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Other Compensation for Specific Groups

Magna Carta for Public Health Workers	74,393
Longevity Pay	9,142
Lump-sum for filling of Positions-Civilian	75,382

Total Other Compensation for Specific Groups	158,917
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Other Benefits	
PAG-IBIG Contributions	3,340
PhilHealth Contributions	7,470
Employees Compensation Insurance Premiums	3,340
Retirement Gratuity	39,033
Terminal Leave	11,211
Total Other Benefits	64,394
Military/Uniformed Personnel	
Basic Pay	
Base Pay	1,118,171
Total Basic Pay	1,118,171
Other Compensation Common to All	
Personnel Economic Relief Allowance	69,576
Clothing/ Uniform Allowance	8,647
Subsistence Allowance	1,211,285
Laundry Allowance	1,692
Quarters Allowance	12,626
Longevity Pay	211,863
Mid-Year Bonus - Military/Uniformed Personnel	93,180
Officers' Allowance - Military/Uniformed Personnel	93,852
Provisional Allowance - Military/Uniformed Personnel	492,368
Year-end Bonus	93,180
Cash Gift	14,495
Productivity Enhancement Incentive	14,495
Total Other Compensation Common to All	2,317,259
Other Compensation for Specific Groups	
Hazardous Duty Pay	13,490
Overseas Allowance	202,055
Hazard Duty Pay	24,878
Special Duty Allowance	78,612
Combat Incentive Pay	10,000
Combat Duty Pay	9,324
Incentive Pay	89,029
Instructor's Duty Pay	18,444
Lump-sum for filling of Positions-Military/Uniformed Personnel (MUP)	51,938
Total Other Compensation for Specific Groups	497,770
Other Benefits	
Special Group Term Insurance	209
PAG-IBIG Contributions	3,478
PhilHealth Contributions	12,403
Employees Compensation Insurance Premiums	3,478
Retirement Gratuity	937,397
Total Other Benefits	956,965
Total Personnel Services	5,978,217

Maintenance and Other Operating Expenses	
Travelling Expenses	247,402
Training and Scholarship Expenses	136,645
Supplies and Materials Expenses	1,879,162
Utility Expenses	582,706
Communication Expenses	116,003
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	2,861,261
Professional Services	43,410
General Services	74,948
Repairs and Maintenance	402,307
Financial Assistance/Subsidy	13,754
Taxes, Insurance Premiums and Other Fees	30,849
Labor and Wages	14,600
Other Maintenance and Operating Expenses	
Advertising Expenses	2,107
Printing and Publication Expenses	10,970
Representation Expenses	418,161
Transportation and Delivery Expenses	9,109
Rent/Lease Expenses	57,440
Membership Dues and Contributions to Organizations	981
Subscription Expenses	11,355
Other Maintenance and Operating Expenses	89,412
Total Maintenance and Other Operating Expenses	7,002,582
Financial Expenses	
Bank Charges	19
Total Financial Expenses	19
Total Current Operating Expenditures	12,980,818
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	49,000
Infrastructure Outlay	755,000
Machinery and Equipment Outlay	25,137,835
Transportation Equipment	14,868
Furniture, Fixtures and Books Outlay	4,709
Other Property Plant and Equipment Outlay	3,500
Total Capital Outlays	25,964,912
TOTAL NEW APPROPRIATIONS	38,945,730

GENERAL SUMMARY
DEPARTMENT OF NATIONAL DEFENSE

<u>Current Operating Expenditures</u>					
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. OFFICE OF THE SECRETARY - PROPER	P 156,160,000	P 286,844,000	P	P	443,004,000
B. GOVERNMENT ARSENAL	242,392,000	973,796,000			1,216,188,000
C. NATIONAL DEFENSE COLLEGE OF THE PHILIPPINES	40,430,000	61,883,000		542,000,000	644,313,000
D. OFFICE OF CIVIL DEFENSE	175,792,000	622,826,000		268,580,000	1,067,198,000
E. PHILIPPINE VETERANS AFFAIRS OFFICE-PROPER	130,072,000	424,742,000		183,800,000	738,614,000
F. VETERANS MEMORIAL MEDICAL CENTER	701,012,000	803,747,000		120,910,000	1,625,669,000
G. ARMED FORCES OF THE PHILIPPINES	81,921,266,000	33,962,453,000	19,000	28,080,008,000	143,963,746,000
G.1. PHILIPPINE ARMY (LAND FORCES)	52,125,237,000	11,092,493,000		780,402,000	63,998,132,000
G.2. PHILIPPINE AIR FORCE (AIR FORCE)	10,486,529,000	8,902,091,000		331,710,000	19,720,330,000
G.3. PHILIPPINE NAVY (NAVAL FORCES)	13,331,283,000	6,965,287,000		1,002,984,000	21,299,554,000
G.4. GENERAL HEADQUARTERS, AFP AND AFP-WIDE SUPPORT AND SEPARATE UNITS (AFPWSSUS)	5,978,217,000	7,002,582,000	19,000	25,964,912,000	38,945,730,000
TOTAL NEW APPROPRIATIONS, DEPARTMENT OF NATIONAL DEFENSE	P83,367,124,000	P37,136,291,000	P 19,000	P29,195,298,000	P149,698,732,000