

**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  
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**New Appropriations, by Program**  
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Current Operating Expenditures

<u>Personnel</u> <u>Services</u>	<u>Maintenance</u> <u>and Other</u> <u>Operating</u> <u>Expenses</u>	<u>Financial</u> <u>Expenses</u>	<u>Capital</u> <u>Outlays</u>	<u>Total</u>
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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
<b>NAVAL FORCES DEFENSE PROGRAM</b>	<b>10,253,601,000</b>	<b>6,236,059,000</b>		<b>1,002,984,000</b>
<b>TOTAL NEW APPROPRIATIONS</b>	<b>P13,331,283,000</b>	<b>P 6,965,287,000</b>	<b>P</b>	<b>P 1,002,984,000 P 21,299,554,000</b>

**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

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

GENERAL APPROPRIATIONS ACT, FY 2018

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
<b>Operations</b>			
Level of mission capability of navy units in naval operations attained	10,253,601,000	6,236,059,000	1,002,984,000
NAVAL FORCES DEFENSE PROGRAM	10,253,601,000	6,236,059,000	1,002,984,000
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
Force Sustainment	1,312,485,000	1,580,223,000	2,892,708,000
<b>Project(s)</b>			
Locally-Funded Project(s)		5,000,000	71,000,000
Construction of Assault Armor Battalion Facilities			40,000,000
Completion of Naval Research and Development Center (Laboratory), Naval Sea System Command, Fort San Felipe, Cavite City			2,000,000
Construction of NETC Barracks, Naval Education and Training Command, San Antonio, Zambales			10,000,000
Construction of EP Barracks, Marine Base, Calumpang, Ternate, Cavite			14,000,000
Construction of Senior EP Barracks, Naval Special Operations Group (NAVSOG), Sangley Point, Cavite City			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
<b>TOTAL NEW APPROPRIATIONS</b>	<b>13,331,283,000</b>	<b>6,965,287,000</b>	<b>1,002,984,000</b>

## New Appropriations, by Object of Expenditures

(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

## Basic Salary

238,474

<b>Total Permanent Positions</b>	<b>238,474</b>
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<b>Other Compensation Common to All</b>	
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
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<b>Total Other Compensation Common to All</b>	<b>80,797</b>
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<b>Other Compensation for Specific Groups</b>	
Magna Carta for Public Health Workers	15,863
Longevity Pay	4,229
Anniversary Bonus-Civilian	3,075
Anniversary Bonus-Military/Uniformed Personnel	69,936
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<b>Total Other Compensation for Specific Groups</b>	<b>93,103</b>
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<b>Other Benefits</b>	
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
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<b>Total Other Benefits</b>	<b>21,305</b>
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<b>Military/Uniformed Personnel</b>	
<b>Basic Pay</b>	
Base Pay	5,550,140
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<b>Total Basic Pay</b>	<b>5,550,140</b>
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<b>Other Compensation Common to All</b>	
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
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<b>Total Other Compensation Common to All</b>	<b>5,873,860</b>
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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

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