

6.4. 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

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Current Operating Expenditures

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

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	<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	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

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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
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

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

646,103

Total Permanent Positions

646,103

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

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

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
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Total Other Benefits	64,394
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Military/Uniformed Personnel	
Basic Pay	
Base Pay	1,118,171
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Total Basic Pay	1,118,171
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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
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Total Other Compensation Common to All	2,317,259
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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
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Total Other Compensation for Specific Groups	497,770
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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
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Total Other Benefits	956,965
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Total Personnel Services	5,978,217
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GENERAL APPROPRIATIONS ACT, FY 2018

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
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Financial Expenses

Bank Charges	19
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Total Financial Expenses	19
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Total Current Operating Expenditures	12,980,818
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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
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TOTAL NEW APPROPRIATIONS

38,945,730
