

G.3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder... P 27,842,155,000

New Appropriations, by Program

Current Operating Expenditures

PROGRAMS	Personnel		Maintenance and Other	Financial	Capital	Total
	Services	Operating Expenses	Operating Expenses	Expenses	Outlays	
General Administration and Support	P 2,498,659,000	P 175,889,000			P 7,298,000	P 2,681,846,000
Operations	16,836,110,000	7,078,694,000			1,245,505,000	25,160,309,000
NAVAL FORCES DEFENSE PROGRAM	16,836,110,000	7,078,694,000			1,245,505,000	25,160,309,000
TOTAL NEW APPROPRIATIONS	P 19,334,769,000	P 7,254,583,000			P 1,252,803,000	P 27,842,155,000

Special Provision(s)

1. **Hospital Income.** In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy 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 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.

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 of One Hundred Eighty Five Million Three Hundred Twenty Eight Thousand Pesos (P185,328,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Navy.

6. **Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants.** The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Navy shall be used exclusively for said purposes.

7. **Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversive Operations.** Expenses incurred by the Philippine Navy in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Navy 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.

8. **Reporting and Posting Requirements.** The Philippine Navy shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
- (b) Philippine Navy's website.

The Philippine Navy shall send written notice when said reports have been submitted or posted on its website to the DRR, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

9. **Appropriations for Activities or Projects.** The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

	<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 1,873,332,000	P 175,889,000		P 7,298,000	P 2,056,519,000
Administration of Personnel Benefits	625,327,000				625,327,000
Sub-total, General Administration and Support	2,498,659,000	175,889,000		7,298,000	2,681,846,000
Operations					
Level of mission capability of navy units in naval operations attained	16,836,110,000	7,078,694,000		1,245,505,000	25,160,309,000
NAVAL FORCES DEFENSE PROGRAM	16,836,110,000	7,078,694,000		1,245,505,000	25,160,309,000
Force-level Support Services	4,768,804,000	3,230,412,000		285,293,000	8,284,509,000
Force Development	11,035,635,000	3,190,741,000		889,017,000	15,115,393,000
Force Sustainment	1,031,671,000	656,341,000		17,395,000	1,705,407,000
Project(s)					
Locally-Funded Project(s)		1,200,000		53,000,000	55,000,000
1. Requirement for Maritime Command Center in Tawi-Tawi		1,200,000		23,000,000	25,000,000

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2. Construction of a female barracks at the Fort Bonifacio Naval Station			30,000,000	30,000,000
Sub-total, Operations	16,836,110,000	7,078,694,000	1,245,505,000	25,160,309,000
TOTAL NEW APPROPRIATIONS	P 19,334,769,000	P 7,254,583,000	P 1,252,803,000	P 27,842,155,000

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

243,661

Total Permanent Positions

243,661

Other Compensation Common to All

Personnel Economic Relief Allowance

24,240

Representation Allowance

180

Transportation Allowance

180

Clothing and Uniform Allowance

6,060

Mid-Year Bonus - Civilian

20,305

Year End Bonus

20,305

Cash Gift

5,050

Productivity Enhancement Incentive

5,050

Step Increment

610

Total Other Compensation Common to All

81,980

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

16,225

Longevity Pay

4,229

Total Other Compensation for Specific Groups

20,454

Other Benefits

PAG-IBIG Contributions

1,212

PhilHealth Contributions

3,204

Employees Compensation Insurance Premiums

1,212

Retirement Gratuity

10,683

Loyalty Award-Civilian

255

Terminal Leave

4,044

Total Other Benefits

20,610

Military/Uniformed Personnel	
Basic Pay	
Base Pay	9,760,327
Total Basic Pay	9,760,327
Other Compensation Common to All	
Personnel Economic Relief Allowance	570,240
Clothing/ Uniform Allowance	172,848
Subsistence Allowance	1,300,861
Laundry Allowance	9,637
Quarters Allowance	127,758
Longevity Pay	2,632,629
Mid-Year Bonus - Military/Uniformed Personnel	813,360
Year-end Bonus	813,360
Cash Gift	118,800
Productivity Enhancement Incentive	118,800
Total Other Compensation Common to All	6,678,293
Other Compensation for Specific Groups	
Hazardous Duty Pay	305,172
Flying Pay	71,419
Overseas Allowance	14,632
Sea Duty Pay	493,445
Hazard Duty Pay	153,965
Hardship Allowance	285,824
Combat Duty Pay	310,248
Instructor's Duty Pay	32,302
Reservist's Pay	39,677
Medal of Valor Award	6,300
Specialist's Pay	305
Parachutist Pay	21,354
Anniversary Bonus - Military/Uniformed Personnel	497,096
Total Other Compensation for Specific Groups	2,231,739
Other Benefits	
Special Group Term Insurance	1,712
PAG-IBIG Contributions	28,513
PhilHealth Contributions	125,463
Employees Compensation Insurance Premiums	28,513
Terminal Leave	113,504
Total Other Benefits	297,705
Total Personnel Services	19,334,769
Maintenance and Other Operating Expenses	
Travelling Expenses	197,515
Training and Scholarship Expenses	162,612
Supplies and Materials Expenses	2,990,546
Utility Expenses	489,016

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Communication Expenses	149,417
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	31,566
General Services	19,097
Repairs and Maintenance	2,429,150
Financial Assistance/Subsidy	185,328
Taxes, Insurance Premiums and Other Fees	54,386
Other Maintenance and Operating Expenses	
Printing and Publication Expenses	16,591
Representation Expenses	231,301
Transportation and Delivery Expenses	5,296
Rent/Lease Expenses	20,180
Subscription Expenses	6,258
Other Maintenance and Operating Expenses	226,575
Total Maintenance and Other Operating Expenses	7,254,583
Total Current Operating Expenditures	26,589,352
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	96,904
Machinery and Equipment Outlay	247,685
Transportation Equipment Outlay	907,921
Other Property Plant and Equipment Outlay	293
Total Capital Outlays	1,252,803
TOTAL NEW APPROPRIATIONS	27,842,155