

G.3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, as indicated hereunder P 32,977,396,000

New Appropriations, by Program

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
General Administration and Support	P 2,441,358,000	P 800,356,000	P	P 3,241,714,000
Operations	<u>17,696,451,000</u>	<u>9,953,974,000</u>	<u>2,085,257,000</u>	<u>29,735,682,000</u>
NAVAL FORCES DEFENSE PROGRAM	<u>17,696,451,000</u>	<u>9,953,974,000</u>	<u>2,085,257,000</u>	<u>29,735,682,000</u>
TOTAL NEW APPROPRIATIONS	P <u>20,137,809,000</u>	P <u>10,754,330,000</u>	P <u>2,085,257,000</u>	P <u>32,977,396,000</u>

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 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 hospital 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 PN 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 shall be 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 MOOE and Capital Outlay requirements of PN hospital and other PN treatment facilities, subject to the guidelines to be issued by the DBM and the DND.

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's 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 Two Hundred Thousand Pesos (P200,000) 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 Four Hundred Fourteen Thousand Pesos (P185,414,000) 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 Subversion 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 submission of the quarterly reports on its financial and physical accomplishments shall be in accordance with Section 99 of the General Provisions of this Act.

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

	Current Operating Expenditures			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS				
General Administration and Support				
General management and supervision	P 1,436,136,000	P 800,356,000	P	2,236,492,000
National Capital Region (NCR)	1,436,136,000	800,356,000		2,236,492,000
Philippine Navy	1,436,136,000	800,356,000		2,236,492,000
Administration of Personnel Benefits	1,005,222,000			1,005,222,000
National Capital Region (NCR)	1,005,222,000			1,005,222,000
Philippine Marine Corps	100,311,000			100,311,000
Philippine Navy	904,911,000			904,911,000
Sub-total, General Administration and Support	2,441,358,000	800,356,000		3,241,714,000
Operations				
Level of mission capability of navy units in naval operations attained	17,696,451,000	9,953,974,000	2,085,257,000	29,735,682,000

NAVAL FORCES DEFENSE PROGRAM	<u>17,696,451,000</u>	<u>9,953,974,000</u>	<u>2,085,257,000</u>	<u>29,735,682,000</u>
Force-level Support Services	<u>5,906,259,000</u>	<u>3,189,223,000</u>	<u>534,146,000</u>	<u>9,629,628,000</u>
National Capital Region (NCR)	<u>5,906,259,000</u>	<u>3,189,223,000</u>	<u>534,146,000</u>	<u>9,629,628,000</u>
Philippine Navy	5,906,259,000	3,189,223,000	534,146,000	9,629,628,000
Force Development	<u>11,212,921,000</u>	<u>6,078,193,000</u>	<u>1,484,423,000</u>	<u>18,775,537,000</u>
National Capital Region (NCR)	<u>11,212,921,000</u>	<u>6,078,193,000</u>	<u>1,484,423,000</u>	<u>18,775,537,000</u>
Philippine Marine Corps	7,220,212,000	1,301,591,000	322,395,000	8,844,198,000
Philippine Navy	3,992,709,000	4,776,602,000	1,162,028,000	9,931,339,000
Force Sustainment	<u>577,271,000</u>	<u>686,558,000</u>	<u>66,688,000</u>	<u>1,330,517,000</u>
National Capital Region (NCR)	<u>577,271,000</u>	<u>686,558,000</u>	<u>66,688,000</u>	<u>1,330,517,000</u>
Philippine Navy	<u>577,271,000</u>	<u>686,558,000</u>	<u>66,688,000</u>	<u>1,330,517,000</u>
Sub-total, Operations	<u>17,696,451,000</u>	<u>9,953,974,000</u>	<u>2,085,257,000</u>	<u>29,735,682,000</u>
TOTAL NEW APPROPRIATIONS	P <u>20,137,809,000</u>	P <u>10,754,330,000</u>	P <u>2,085,257,000</u>	P <u>32,977,396,000</u>

New Appropriations, by Object of Expenditures
(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

317,340

Total Permanent Positions

317,340

Other Compensation Common to All

Personnel Economic Relief Allowance

27,000

Representation Allowance

180

Transportation Allowance

180

Clothing and Uniform Allowance

6,750

Mid-Year Bonus - Civilian

26,445

Year End Bonus

26,445

Cash Gift

5,625

Productivity Enhancement Incentive

5,625

Step Increment

794

Total Other Compensation Common to All

99,044

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

18,263

Longevity Pay

4,229

Lump-sum for filling of Positions-Civilian	<u>13,719</u>
Total Other Compensation for Specific Groups	<u>36,211</u>
Other Benefits	
PAG-IBIG Contributions	1,350
PhilHealth Contributions	5,528
Employees Compensation Insurance Premiums	1,350
Loyalty Award-Civilian	255
Terminal Leave	<u>6,271</u>
Total Other Benefits	<u>14,754</u>
Military/Uniformed Personnel	
Basic Pay	
Base Pay	<u>9,846,943</u>
Total Basic Pay	<u>9,846,943</u>
Other Compensation Common to All	
Personnel Economic Relief Allowance	570,504
Clothing/ Uniform Allowance	200,700
Subsistence Allowance	1,301,462
Laundry Allowance	9,737
Quarters Allowance	131,458
Longevity Pay	2,287,257
Mid-Year Bonus - Military/Uniformed Personnel	820,579
Year-end Bonus	820,579
Cash Gift	118,855
Productivity Enhancement Incentive	<u>118,855</u>
Total Other Compensation Common to All	<u>6,379,986</u>
Other Compensation for Specific Groups	
Hazardous Duty Pay	546,005
Flying Pay	147,144
Overseas Allowance	15,964
Sea Duty Pay	537,793
Hazard Duty Pay	154,036
Hardship Allowance	294,101
Combat Duty Pay	346,680
Instructor's Duty Pay	101,511
Reservist's Pay	39,677
Medal of Valor Award	6,300
Specialist's Pay	305
Parachutist Pay	36,391
Lump-sum for filling of Positions- Military/Uniformed Personnel (MUP)	<u>670,968</u>
Total Other Compensation for Specific Groups	<u>2,896,875</u>
Other Benefits	
Special Group Term Insurance	1,712
PAG-IBIG Contributions	28,525

PhilHealth Contributions	173,630
Employees Compensation Insurance Premiums	28,525
Terminal Leave	314,264
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Total Other Benefits	546,656
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Total Personnel Services	20,137,809
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Maintenance and Other Operating Expenses	
Travelling Expenses	192,125
Training and Scholarship Expenses	229,234
Supplies and Materials Expenses	4,512,017
Utility Expenses	458,687
Communication Expenses	181,514
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	33,007
General Services	19,763
Repairs and Maintenance	3,006,268
Financial Assistance/Subsidy	185,414
Taxes, Insurance Premiums and Other Fees	61,018
Other Maintenance and Operating Expenses	
Printing and Publication Expenses	14,639
Representation Expenses	294,990
Transportation and Delivery Expenses	2,355
Rent/Lease Expenses	1,388,050
Subscription Expenses	12,908
Other Maintenance and Operating Expenses	122,592
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Total Maintenance and Other Operating Expenses	10,754,330
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Total Current Operating Expenditures	30,892,139
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Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	27,078
Buildings and Other Structures	383,414
Machinery and Equipment Outlay	716,153
Transportation Equipment Outlay	936,678
Furnitures, Fixtures and Books Outlay	16,126
Other Property Plant and Equipment Outlay	5,808
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Total Capital Outlays	2,085,257
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TOTAL NEW APPROPRIATIONS	32,977,396
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