

G. 3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, as indicated hereunder.....P 34,939,904,000
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New Appropriations, by Program

		Current Operating Expenditures			

		Personnel	Maintenance	Capital	Total
		Services	and Other	Outlays	
			Operating		
			Expenses		
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A. REGULAR PROGRAMS					
1000000000000000	General Administration and Support	P 3,285,128,000	P 858,069,000	P 143,780,000	P 4,286,977,000
3000000000000000	Operations	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
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	NAVAL FORCES DEFENSE PROGRAM	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
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	TOTAL NEW APPROPRIATIONS	P 21,296,554,000	P 12,289,383,000	P 1,353,967,000	P 34,939,904,000
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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 hospitals 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 Philippine Navy 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 operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Navy hospitals and other Philippine Navy treatment facilities, subject to the guidelines 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 Ninety Nine Million Five Hundred Forty Thousand Pesos (P199,540,000) 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 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) 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 DBM, 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 (Cash-Based)

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
REGULAR PROGRAMS					
1000000000000000	General Administration and Support				
100000100001000	General management and supervision	P 1,670,922,000	P 858,069,000	P 143,780,000	P 2,672,771,000
	National Capital Region (NCR)	1,670,922,000	858,069,000	143,780,000	2,672,771,000
	Philippine Navy	1,670,922,000	858,069,000	143,780,000	2,672,771,000
100000100002000	Administration of Personnel Benefits	1,614,206,000			1,614,206,000
	National Capital Region (NCR)	1,614,206,000			1,614,206,000
	Philippine Marine Corps	117,939,000			117,939,000
	Philippine Navy	1,496,267,000			1,496,267,000
	Sub-total, General Administration and Support	3,285,128,000	858,069,000	143,780,000	4,286,977,000

30000000000000	Operations				
31010000000000	NAVAL FORCES DEFENSE PROGRAM	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
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310100100001000	Force-Level Support Services	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
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	National Capital Region (NCR)	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
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	Philippine Navy	6,250,300,000	3,620,463,000	187,389,000	10,058,152,000
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310100100002000	Force Development	11,090,805,000	7,119,010,000	1,022,798,000	19,232,613,000
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	National Capital Region (NCR)	11,090,805,000	7,119,010,000	1,022,798,000	19,232,613,000
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	Philippine Marine Corps	7,267,169,000	1,343,194,000	138,087,000	8,748,450,000
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	Philippine Navy	3,823,636,000	5,775,816,000	884,711,000	10,484,163,000
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310100100003000	Force Sustainment	670,321,000	691,841,000		1,362,162,000
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	National Capital Region (NCR)	670,321,000	691,841,000		1,362,162,000
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	Philippine Navy	670,321,000	691,841,000		1,362,162,000
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	Sub-total, Operations	18,011,426,000	11,431,314,000	1,210,187,000	30,652,927,000
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	TOTAL NEW APPROPRIATIONS	P 21,296,554,000	P 12,289,383,000	P 1,353,967,000	P 34,939,904,000
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New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

335,361

Total Permanent Positions

335,361

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

27,947

Year End Bonus

27,947

Cash Gift

5,625

Productivity Enhancement Incentive

5,625

Step Increment

839

Total Other Compensation Common to All

102,093

Other Compensation for Specific Groups	
Magna Carta for Public Health Workers	18,263
Longevity Pay	4,229
Lump-sum for filling of Positions - Civilian	5,608
Anniversary Bonus - Civilian	76,188
Total Other Compensation for Specific Groups	104,288

Other Benefits	
PAG-IBIG Contributions	1,349
PhilHealth Contributions	7,542
Employees Compensation Insurance Premiums	1,349
Loyalty Award - Civilian	255
Terminal Leave	3,927
Total Other Benefits	14,422

Military/Uniformed Personnel	
Basic Pay	
Base Pay	10,054,225
Total Basic Pay	10,054,225

Other Compensation Common to All	
Personnel Economic Relief Allowance	582,504
Clothing/ Uniform Allowance	200,936
Subsistence Allowance	1,328,846
Laundry Allowance	9,992
Quarters Allowance	131,451
Longevity Pay	2,387,723
Mid-Year Bonus - Military/Uniformed Personnel	837,853
Year-end Bonus	837,853
Cash Gift	121,355
Productivity Enhancement Incentive	121,355
Total Other Compensation Common to All	6,559,868

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	157,269
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)	1,163,088
Total Other Compensation for Specific Groups	3,392,228

Other Benefits	
Special Group Term Insurance	1,746
PAG-IBIG Contributions	29,126
PhilHealth Contributions	232,488
Employees Compensation Insurance Premiums	29,126
Terminal Leave	441,583
Total Other Benefits	734,069

Total Personnel Services	21,296,554

Maintenance and Other Operating Expenses

Travelling Expenses	200,118
Training and Scholarship Expenses	230,654
Supplies and Materials Expenses	5,057,380
Utility Expenses	518,664
Communication Expenses	198,776
Awards/Rewards and Prizes	2,402
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	49,352
General Services	101,113
Repairs and Maintenance	3,521,054
Financial Assistance/Subsidy	199,540
Taxes, Insurance Premiums and Other Fees	58,946
Other Maintenance and Operating Expenses	
Advertising Expenses	142
Printing and Publication Expenses	13,698
Representation Expenses	315,034
Transportation and Delivery Expenses	5,370
Rent/Lease Expenses	1,385,811
Subscription Expenses	14,087
Other Maintenance and Operating Expenses	377,493

Total Maintenance and Other Operating Expenses	12,289,383
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TOTAL CURRENT OPERATING EXPENDITURES	33,585,937
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Capital Outlays

Property, Plant and Equipment Outlay	
Infrastructure Outlay	207,353
Buildings and Other Structures	5,316
Machinery and Equipment Outlay	200,477
Transportation Equipment Outlay	940,821

Total Capital Outlays	1,353,967
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TOTAL NEW APPROPRIATIONS	34,939,904
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