

G.3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, as indicated hereunder.....P 41,388,723,000

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New Appropriations, by Programs/Projects

Current Operating Expenditures

Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
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A. REGULAR PROGRAMS

1000000000000000 General Administration and Support

P 3,259,763,000 P 526,119,000 P 126,450,000 P 3,912,332,000

3000000000000000 Operations

18,248,705,000 13,913,768,000 5,313,918,000 37,476,391,000

NAVAL FORCES DEFENSE PROGRAM	18,248,705,000	13,913,768,000	5,313,918,000	37,476,391,000
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TOTAL NEW APPROPRIATIONS	P 21,508,468,000	P 14,439,887,000	P 5,440,368,000	P 41,388,723,000
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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. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.

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 Two Hundred One Million Six Hundred Thirty One Thousand Pesos (P201,631,000) 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

		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 1,897,739,000	P 526,119,000	P 126,450,000	P 2,550,308,000
	National Capital Region (NCR)	1,897,739,000	526,119,000	126,450,000	2,550,308,000
	Philippine Navy	1,897,739,000	526,119,000	126,450,000	2,550,308,000
100000100002000	Administration of Personnel Benefits	1,362,024,000			1,362,024,000
	National Capital Region (NCR)	1,362,024,000			1,362,024,000
	Philippine Marine Corps	68,146,000			68,146,000
	Philippine Navy	1,293,878,000			1,293,878,000
Sub-total, General Administration and Support		3,259,763,000	526,119,000	126,450,000	3,912,332,000
3000000000000000 Operations					
3101000000000000	NAVAL FORCES DEFENSE PROGRAM	18,248,705,000	13,913,768,000	5,313,918,000	37,476,391,000
310100100001000	Force-Level Support Services	6,208,135,000	4,291,225,000	2,271,414,000	12,770,774,000
	National Capital Region (NCR)	6,208,135,000	4,291,225,000	2,271,414,000	12,770,774,000
	Philippine Navy	6,208,135,000	4,291,225,000	2,271,414,000	12,770,774,000
310100100002000	Force Development	11,362,328,000	7,764,994,000	2,952,383,000	22,079,705,000
	National Capital Region (NCR)	11,362,328,000	7,764,994,000	2,952,383,000	22,079,705,000
	Philippine Marine Corps	7,259,134,000	1,711,170,000	1,040,477,000	10,010,781,000
	Philippine Navy	4,103,194,000	6,053,824,000	1,911,906,000	12,068,924,000
310100100003000	Force Sustainment	678,242,000	1,857,549,000	90,121,000	2,625,912,000
	National Capital Region (NCR)	678,242,000	1,857,549,000	90,121,000	2,625,912,000

Philippine Navy	678,242,000	1,857,549,000	90,121,000	2,625,912,000
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Sub-total, Operations	18,248,705,000	13,913,768,000	5,313,918,000	37,476,391,000
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TOTAL NEW APPROPRIATIONS	P 21,508,468,000	P 14,439,887,000	P 5,440,368,000	P 41,388,723,000
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New Appropriations, by Object of Expenditures

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

334,331

Total Permanent Positions

334,331

Other Compensation Common to All

Personnel Economic Relief Allowance

26,520

Representation Allowance

180

Transportation Allowance

180

Clothing and Uniform Allowance

6,630

Mid-Year Bonus - Civilian

27,861

Year End Bonus

27,861

Cash Gift

5,525

Productivity Enhancement Incentive

5,525

Step Increment

836

Total Other Compensation Common To All

101,118

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

18,263

Longevity Pay

4,229

Lump-sum for filling of Positions - Civilian

9,829

Total Other Compensation for Specific Groups

32,321

Other Benefits

PAG-IBIG Contributions

1,326

PhilHealth Contributions

7,518

Employees Compensation Insurance Premiums

1,326

Loyalty Award - Civilian

255

Terminal Leave

4,842

Total Other Benefits

15,267

Military/Uniformed Personnel

Basic Pay

Base Pay

10,325,783

Total Basic Pay

10,325,783

Other Compensation Common To All

Personnel Economic Relief Allowance

610,680

Clothing/ Uniform Allowance

229,434

Subsistence Allowance

1,396,932

Laundry Allowance

15,611

Quarters Allowance

133,248

Longevity Pay

2,412,006

Mid-Year Bonus - Military/Uniformed Personnel

859,817

Year-end Bonus

859,817

Cash Gift

127,225

Productivity Enhancement Incentive

127,225

Total Other Compensation Common to All

6,771,995

Other Compensation for Specific Groups

Hazardous Duty Pay

546,005

Flying Pay

147,144

Overseas Allowance

15,964

Sea Duty Pay

568,793

Hazard Duty Pay

164,883

Hardship Allowance

294,101

Combat Duty Pay

362,268

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)

1,050,195

Total Other Compensation for Specific Groups

3,333,537

Other Benefits

Special Group Term Insurance

1,832

PAG-IBIG Contributions

30,535

PhilHealth Contributions

234,056

Employees Compensation Insurance Premiums

30,535

Terminal Leave

297,158

Total Other Benefits

609,383

Total Personnel Services

21,508,468

Maintenance and Other Operating Expenses

Travelling Expenses

287,059

Training and Scholarship Expenses

318,538

Supplies and Materials Expenses

6,545,260

Utility Expenses	698,603
Communication Expenses	255,424
Awards/Rewards and Prizes	341
Survey, Research, Exploration and Development Expenses	990
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	90,570
General Services	270,511
Repairs and Maintenance	3,574,614
Financial Assistance/Subsidy	201,631
Taxes, Insurance Premiums and Other Fees	72,182
Other Maintenance and Operating Expenses	
Advertising Expenses	144
Printing and Publication Expenses	18,773
Representation Expenses	340,104
Transportation and Delivery Expenses	1,574
Rent/Lease Expenses	1,164,681
Subscription Expenses	27,364
Other Maintenance and Operating Expenses	531,775

Total Maintenance and Other Operating Expenses	14,439,887

TOTAL CURRENT OPERATING EXPENDITURES	35,948,355

Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	86,667
Buildings and Other Structures	726,478
Machinery and Equipment Outlay	2,962,597
Transportation Equipment Outlay	1,658,206
Furniture, Fixtures and Books Outlay	6,420

Total Capital Outlays	5,440,368

TOTAL NEW APPROPRIATIONS	41,388,723
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