

G.3. PHILIPPINE NAVY (NAVAL FORCES)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder P 59,929,370,000

New Appropriations, by Programs/Projects

	Current Operating Expenditures			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. REGULAR PROGRAMS				
General Administration and Support	P 5,038,695,000	P 609,940,000	P	P 5,648,635,000
Operations	<u>22,416,044,000</u>	<u>22,943,807,000</u>	<u>8,540,384,000</u>	<u>53,900,235,000</u>
NAVAL FORCES DEFENSE PROGRAM	<u>22,416,044,000</u>	<u>22,943,807,000</u>	<u>8,540,384,000</u>	<u>53,900,235,000</u>
Total, Regular Programs	<u>27,454,739,000</u>	<u>23,553,747,000</u>	<u>8,540,384,000</u>	<u>59,548,870,000</u>
B. PROJECT(S)				
Locally-Funded Project(s)			<u>380,500,000</u>	<u>380,500,000</u>
Total, Project(s)			<u>380,500,000</u>	<u>380,500,000</u>
TOTAL NEW APPROPRIATIONS	P <u>27,454,739,000</u>	P <u>23,553,747,000</u>	P <u>8,920,884,000</u>	P <u>59,929,370,000</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 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 civil and criminal actions under existing 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 statements 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 fees and charges 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 Two Hundred Seventeen Million Five Hundred Forty Two Thousand Pesos (P217,542,000) 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 Request, and other relevant budgetary requirements in accordance with applicable laws, 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 until such time that all agencies have fully migrated to the BTMS; 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

<u>Current Operating Expenditures</u>			
<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>

REGULAR PROGRAMS

General Administration and Support

General Management and Supervision	P <u>2,453,129,000</u>	P <u>609,940,000</u>	P <u>3,063,069,000</u>
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National Capital Region (NCR)	<u>2,453,129,000</u>	<u>609,940,000</u>		<u>3,063,069,000</u>
Philippine Navy	2,453,129,000	609,940,000		3,063,069,000
Administration of Personnel Benefits	<u>2,585,566,000</u>			<u>2,585,566,000</u>
National Capital Region (NCR)	<u>2,585,566,000</u>			<u>2,585,566,000</u>
Philippine Marine Corps	80,396,000			80,396,000
Philippine Navy	<u>2,505,170,000</u>			<u>2,505,170,000</u>
Sub-total, General Administration and Support	<u>5,038,695,000</u>	<u>609,940,000</u>		<u>5,648,635,000</u>
Operations				
NAVAL FORCES DEFENSE PROGRAM	<u>22,416,044,000</u>	<u>22,943,807,000</u>	<u>8,540,384,000</u>	<u>53,900,235,000</u>
Force-Level Support Services	<u>7,938,429,000</u>	<u>6,082,782,000</u>	<u>4,175,791,000</u>	<u>18,197,002,000</u>
National Capital Region (NCR)	<u>7,938,429,000</u>	<u>6,082,782,000</u>	<u>4,175,791,000</u>	<u>18,197,002,000</u>
Philippine Navy	7,938,429,000	6,082,782,000	4,175,791,000	18,197,002,000
Force Development	<u>13,833,481,000</u>	<u>14,913,248,000</u>	<u>4,039,893,000</u>	<u>32,786,622,000</u>
National Capital Region (NCR)	<u>13,833,481,000</u>	<u>14,913,248,000</u>	<u>4,039,893,000</u>	<u>32,786,622,000</u>
Philippine Marine Corps	8,260,949,000	3,149,733,000	2,486,209,000	13,896,891,000
Philippine Navy	5,572,532,000	11,763,515,000	1,553,684,000	18,889,731,000
Force Sustainment	<u>644,134,000</u>	<u>1,947,777,000</u>	<u>324,700,000</u>	<u>2,916,611,000</u>
National Capital Region (NCR)	<u>644,134,000</u>	<u>1,947,777,000</u>	<u>324,700,000</u>	<u>2,916,611,000</u>
Philippine Navy	<u>644,134,000</u>	<u>1,947,777,000</u>	<u>324,700,000</u>	<u>2,916,611,000</u>
Sub-total, Operations	<u>22,416,044,000</u>	<u>22,943,807,000</u>	<u>8,540,384,000</u>	<u>53,900,235,000</u>
Total, Regular Programs	<u>27,454,739,000</u>	<u>23,553,747,000</u>	<u>8,540,384,000</u>	<u>59,548,870,000</u>

PROJECT(S)

Locally-Funded Project(s)

Enhancement of Road Nets of Naval Station, Leovigildo Gantioqui, Zambales			270,200,000	270,200,000
Construction of Married Military Quarters Building, Naval Base Rafael Ramos (NBRR), Lapu-Lapu City, Cebu, Phase IV			10,000,000	10,000,000
Construction of Missile Storage Facility, Naval Base Rafael Ramos (NBRR), Lapu Lapu City, Cebu, Phase II			30,000,000	30,000,000

GENERAL APPROPRIATIONS ACT, FY 2026

Construction of Ammo Dump, Camp Cape Bojeador, Burgos, Ilocos Norte			30,000,000	30,000,000
Construction of Personnel Barracks with Armory, Camp Cape Bojeador, Burgos, Ilocos Norte			40,000,000	40,000,000
Construction of Public Hygiene Facility, Naval Forces Southern Luzon, Legaspi, Albay			<u>300,000</u>	<u>300,000</u>
Sub-total, Locally-Funded Project(s)			<u>380,500,000</u>	<u>380,500,000</u>
Total, Project(s)			<u>380,500,000</u>	<u>380,500,000</u>
TOTAL NEW APPROPRIATIONS	P	<u>27,454,739,000</u>	P	<u>23,553,747,000</u>
			P	<u>8,920,884,000</u>
				P
				<u>59,929,370,000</u>
<u>New Appropriations, by Object of Expenditures</u>				
(In Thousand Pesos)				
Current Operating Expenditures				
Personnel Services				
Civilian Personnel				
Permanent Positions				
Basic Salary				<u>444,480</u>
Total Permanent Positions				<u>444,480</u>
Other Compensation Common to All				
Personnel Economic Relief Allowance				29,808
Representation Allowance				288
Transportation Allowance				288
Clothing and Uniform Allowance				8,694
Mid-Year Bonus - Civilian				37,040
Year End Bonus				37,040
Cash Gift				6,210
Productivity Enhancement Incentive				6,210
Step Increment				<u>1,111</u>
Total Other Compensation Common to All				<u>126,689</u>
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>9,829</u>
Total Other Compensation for Specific Groups				<u>32,321</u>
Other Benefits				
PAG-IBIG Contributions				2,981

PhilHealth Contributions	11,102
Employees Compensation Insurance Premiums	1,490
Loyalty Award - Civilian	2,890
Terminal Leave	6,513
Total Other Benefits	24,976
Military/Uniformed Personnel	
Basic Pay	
Base Pay	11,427,495
Creation of New Positions	849,641
Total Basic Pay	12,277,136
Other Compensation Common to All	
Personnel Economic Relief Allowance	676,392
Clothing/Uniform Allowance	286,944
Subsistence Allowance	3,559,465
Laundry Allowance	16,736
Quarters Allowance	144,384
Longevity Pay	2,861,428
Mid-Year Bonus - Military/Uniformed Personnel	952,541
Year-end Bonus	952,541
Cash Gift	140,950
Productivity Enhancement Incentive	140,950
Total Other Compensation Common to All	9,732,331
Other Compensation for Specific Groups	
Hazardous Duty Pay	717,992
Flying Pay	157,368
Overseas Allowance	25,339
Sea Duty Pay	673,915
Hazard Duty Pay	182,671
Hardship Allowance	309,722
Combat Duty Pay	428,724
Instructor's Duty Pay	107,299
Reservist's Pay	52,287
Medal of Valor Award	12,000
Specialist's Pay	305
Parachutist Pay	38,979
Lump-sum for Filling of Positions Military/Uniformed Personnel (MUP)	1,207,397
Total Other Compensation for Specific Groups	3,913,998
Other Benefits	
Special Group Term Insurance	2,027
PAG-IBIG Contributions	66,936
PhilHealth Contributions	287,830
Employees Compensation Insurance Premiums	33,829
Terminal Leave	512,186
Total Other Benefits	902,808

GENERAL APPROPRIATIONS ACT, FY 2026

Total Personnel Services	<u>27,454,739</u>
Maintenance and Other Operating Expenses	
Travelling Expenses	337,216
Training and Scholarship Expenses	452,675
Supplies and Materials Expenses	13,045,044
Utility Expenses	991,926
Communication Expenses	327,956
Awards/Rewards and Prizes	2,691
Survey, Research, Exploration and Development Expenses	895
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	39,749
Professional Services	254,969
General Services	403,302
Repairs and Maintenance	4,895,814
Financial Assistance/Subsidy	243,590
Taxes, Insurance Premiums and Other Fees	79,910
Other Maintenance and Operating Expenses	
Advertising Expenses	144
Printing and Publication Expenses	18,415
Representation Expenses	556,087
Transportation and Delivery Expenses	2,923
Rent/Lease Expenses	1,059,827
Subscription Expenses	231,962
Other Maintenance and Operating Expenses	<u>608,652</u>
Total Maintenance and Other Operating Expenses	<u>23,553,747</u>
Total Current Operating Expenditures	<u>51,008,486</u>
Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	593,008
Buildings and Other Structures	487,636
Machinery and Equipment Outlay	7,210,943
Transportation Equipment Outlay	605,297
Other Property, Plant and Equipment Outlay	<u>24,000</u>
Total Capital Outlays	<u>8,920,884</u>
TOTAL NEW APPROPRIATIONS	<u><u>59,929,370</u></u>