



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
General Solano St., San Miguel, Manila

BUDGET CIRCULAR

No. 2016 – 6

Date: October 3, 2016

TO : ALL OFFICIALS OF THE DEPARTMENT BUDGET AND MANAGEMENT, DEPARTMENT OF NATIONAL DEFENSE, ARMED FORCES OF THE PHILIPPINES, PHILIPPINE NATIONAL POLICE, AND ALL OTHERS CONCERNED

SUBJECT : GUIDELINES ON THE GRANT OF COMBAT DUTY PAY AND COMBAT INCENTIVE PAY FOR FY 2016 AND THEREAFTER

1.0 Background

Executive Order (EO) No. 3¹ dated September 26, 2016 increased the rates of Combat Duty Pay and Combat Incentive Pay of the Armed Forces of the Philippines (AFP) and extended the same allowances to the Uniformed Personnel of the Philippine National Police (PNP).

2.0 Purpose

This Circular is being issued to provide guidelines on the grant of Combat Duty Pay and Combat Incentive Pay to officers and enlisted personnel of the AFP and the uniformed personnel of the PNP.

3.0 Guidelines

3.1 Combat Duty Pay

- 3.1.1** Officers and enlisted personnel of the AFP performing combat duties/activities and uniformed personnel of the PNP engaged in actual police operations as defined in regulations to be issued by the Secretary of National Defense and the Director General of the PNP, respectively, are entitled to receive Combat Duty Pay at a fixed rate of Three Thousand Pesos (P3,000) per month.

¹ Increasing the Rates of Combat Duty Pay and Combat Incentive Pay of the Armed Forces of the Philippines and Extending the Same Allowances to the Uniformed Personnel of the Philippine National Police, amending therefor Executive Order No. 38 (s. 2011)

3.2 Combat Incentive Pay

3.2.1 The members of the AFP and the uniformed personnel of the PNP who figure directly in actual combat against members of various insurgent, terrorist and lawless elements shall be entitled to an additional Three Hundred Pesos (P300) per day, subject to the following conditions:

- a. The operation must be for a specific combat mission that is duly covered by an Operational Order (OPORD) or a Fragmentary Operation Order (FRAG-O) for the AFP or a Mission Order for PNP.
- b. The personnel involved in combat must be in the published task organization of the OPORD/FRAG-O or Mission Order for AFP and PNP, respectively.
- c. The total additional Combat Incentive Pay for each individual shall not exceed Three Thousand Pesos (P3,000) per month.

3.2.2 This Combat Incentive Pay shall be over and above the Combat Duty Pay of P3,000 for qualified officers and enlisted personnel of the AFP and qualified uniformed personnel of the PNP.

3.3 The Chief of Staff of the AFP and Director General of the PNP shall issue separate guidelines on the conditions for entitlement to the above allowances.

4.0 Funding Source

4.1 For FYs 2016 and 2017, the funding requirements shall be charged against the available allotment for Personnel Services (PS) of concerned agencies. Any deficiency shall be charged against the Miscellaneous Personnel Benefits Fund (MPBF) subject to the submission of Special Budget Request (SBR).

4.2 Succeeding funding for this purpose shall be included in the specific budgets of the AFP and PNP, provided that the actual roster of military and uniformed personnel of the AFP and the PNP is submitted to the Department of Budget and Management.

4.3 For purposes of estimating the initial amount required by the AFP and PNP for the purpose, 85% of the roster shall be used as basis for the computation. This percentage is equivalent to the usual assumed number of military and uniformed personnel engaged in actual combat or field operations. Any grant of Combat Duty Pay and Combat Incentive Pay in excess of the 85% limit shall be subject to submission of additional documents to support the actual number of military and uniformed personnel engaged in actual combat or field operations.

5.0 Reportorial Requirements

The AFP and the PNP shall submit to DBM not later than fifteen (15) days after the end of each fiscal year a certification on the ranks, number of personnel and the corresponding amount granted for Combat Duty Pay and Combat Incentive Pay. (Format attached as Annex A)

6.0 Responsibility Of Agency Heads

Agency heads shall be held responsible for the proper implementation of the provisions of this Circular. They shall be held administratively, civilly, and/or criminally liable, as the case may be, for any payment of Combat Duty Pay and Combat Incentive Pay not in accordance with the provisions herein without prejudice to the refund by the personnel concerned of any unauthorized or excess payments.

7.0 Effectivity

This Circular shall take effect immediately.


BENJAMIN E. DIOKNO
Secretary



Pursuant to Budget Circular No. _____
FY _____

Agency : _____

Prepared by:	Certified by:	Approved by:
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Chief of Personnel	Chief of Accounting Unit	Head of Finance