

G. PHILIPPINE ARMY (LAND FORCES)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
New General Appropriations	91,407,366	92,508,006	96,825,021
General Fund	91,407,366	92,508,006	96,825,021
Automatic Appropriations	690,795	37,874	44,890
Customs Duties and Taxes, including Tax Expenditures	653,608		
Retirement and Life Insurance Premiums	37,187	37,874	44,890
Continuing Appropriations	2,376,961	4,026,511	
Unreleased Appropriation for Personnel Services			
R.A. No. 11260		10,504	
Unreleased Appropriation for Capital Outlays			
R.A. No. 11260		780	
Unreleased Appropriation for MOOE			
R.A. No. 11260		850,000	
Unobligated Releases for Capital Outlays			
R.A. No. 11260		2,359,780	
R.A. No. 10964	525,589		
Unobligated Releases for MOOE			
R.A. No. 11260		805,361	
R.A. No. 10964	1,851,372		
Unobligated Releases for PS			
R.A. No. 11260		86	
Budgetary Adjustment(s)	3,640,496		
Transfer(s) from:			
Contingent Fund	86,524		
Miscellaneous Personnel Benefits Fund	1,372,153		
Pension and Gratuity Fund	2,181,819		
Total Available Appropriations	98,115,618	96,572,391	96,869,911
Unused Appropriations	(4,068,922)	(4,026,511)	
Unreleased Appropriation	(861,284)	(861,284)	
Unobligated Allotment	(3,207,638)	(3,165,227)	
TOTAL OBLIGATIONS	94,046,696	92,545,880	96,869,911

EXPENDITURE PROGRAM
(in pesos)

	<u>(Cash-Based)</u>		
	<u>2019 Actual</u>	<u>2020 Current</u>	<u>2021 Proposed</u>
GAS / STO / OPERATIONS / PROJECTS			
General Administration and Support	11,488,377,000	6,955,649,000	7,563,199,000
Regular	11,488,377,000	6,955,649,000	7,563,199,000
PS	9,497,985,000	5,851,958,000	6,430,532,000

MOOE	1,990,392,000	1,103,691,000	1,132,667,000
Operations	<u>82,558,319,000</u>	<u>85,590,231,000</u>	<u>89,306,712,000</u>
Regular	<u>82,542,536,000</u>	<u>85,515,231,000</u>	<u>89,306,712,000</u>
PS	68,571,540,000	71,046,008,000	72,387,506,000
MOOE	12,260,355,000	12,834,456,000	14,506,724,000
CO	1,710,641,000	1,634,767,000	2,412,482,000
Projects / Purpose	<u>15,783,000</u>	<u>75,000,000</u>	
MOOE	1,800,000		
CO	13,983,000	75,000,000	
TOTAL AGENCY BUDGET	<u>94,046,696,000</u>	<u>92,545,880,000</u>	<u>96,869,911,000</u>
Regular	<u>94,030,913,000</u>	<u>92,470,880,000</u>	<u>96,869,911,000</u>
PS	78,069,525,000	76,897,966,000	78,818,038,000
MOOE	14,250,747,000	13,938,147,000	15,639,391,000
CO	1,710,641,000	1,634,767,000	2,412,482,000
Projects / Purpose	<u>15,783,000</u>	<u>75,000,000</u>	
MOOE	1,800,000		
CO	13,983,000	75,000,000	

STAFFING SUMMARY

	<u>2019</u>	<u>2020</u>	<u>2021</u>
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,678	1,698	1,698
Total Number of Filled Positions	1,346	1,417	1,417
Military			
Total Number of Authorized Positions	101,105	103,178	103,178
Total Number of Filled Positions	101,105	103,178	103,178

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 96,825,021,000
 =====

OPERATIONS BY PROGRAM	<u>PROPOSED 2021 (Cash-Based)</u>			
	<u>PS</u>	<u>MOOE</u>	<u>CO</u>	<u>TOTAL</u>
LAND FORCES DEFENSE PROGRAM	72,387,506,000	14,506,724,000	2,412,482,000	89,306,712,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2021 (Cash-Based)
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	78,773,148,000	15,639,391,000	2,412,482,000	96,825,021,000
National Capital Region (NCR)	78,773,148,000	15,639,391,000	2,412,482,000	96,825,021,000
TOTAL AGENCY BUDGET	78,773,148,000	15,639,391,000	2,412,482,000	96,825,021,000

SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Fort Bonifacio 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.

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 and to appropriate criminal action under existing penal laws.

The Philippine Army 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 Commanding General of the Philippine Army 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 Army's website.

- Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Army 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.
- Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Three Billion Eight Hundred Twenty Nine Million One Hundred Six Thousand Pesos (P3,829,106,000) shall be used for the payment of compensation of Citizen Armed Forces Geographical Unit members and separation benefits, not exceeding one (1) year subsistence allowance in accordance with the IRR of E.O. No. 264, s. 1987 and DND Circular No. 4 dated October 27, 2005.
- Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each company of the Philippine Army 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.
- 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 Army.
- Rice Subsidy. The amount of Eight Hundred Thirteen Million Five Hundred Nine Thousand Pesos (P813,509,000) 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 Army.
- 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 Army shall be used exclusively for said purposes.
- Reimbursement of Expenses Incurred in Anti-smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Army 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 Army 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.
- Reporting and Posting Requirements. The Philippine Army 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 Army's website.

The Philippine Army 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.

10. 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)

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
1000000000000000	General Administration and Support	6,385,642,000	1,132,667,000		7,518,309,000
100000100001000	General management and supervision	4,767,757,000	1,132,667,000		5,900,424,000
100000100002000	Administration of Personnel Benefits	1,617,885,000			1,617,885,000
Sub-total, General Administration and Support		6,385,642,000	1,132,667,000		7,518,309,000
3000000000000000	Operations	72,387,506,000	14,506,724,000	2,412,482,000	89,306,712,000
3100000000000000	00 : Level of mission capability of army units in ground operations attained	72,387,506,000	14,506,724,000	2,412,482,000	89,306,712,000
3101000000000000	LAND FORCES DEFENSE PROGRAM	72,387,506,000	14,506,724,000	2,412,482,000	89,306,712,000
310100100001000	Force-Level Support Services	3,062,679,000	654,328,000	54,495,000	3,771,502,000
310100100002000	Force Development		1,168,246,000		1,168,246,000
310100100003000	Force Sustainment	69,324,827,000	12,684,150,000	2,357,987,000	84,366,964,000
Sub-total, Operations		72,387,506,000	14,506,724,000	2,412,482,000	89,306,712,000
TOTAL NEW APPROPRIATIONS		P 78,773,148,000	P 15,639,391,000	P 2,412,482,000	P 96,825,021,000

Obligations, by Object of Expenditures

CYs 2019-2021
(In Thousand Pesos)

<u>(Cash-Based)</u>		
<u>2019</u>	<u>2020</u>	<u>2021</u>

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions
Basic Salary

310,667	315,616	374,084
---------	---------	---------

Total Permanent Positions	310,667	315,616	374,084
Other Compensation Common to All			
Personnel Economic Relief Allowance	30,792	31,584	34,008
Representation Allowance	240	120	180
Transportation Allowance	240	120	180
Clothing and Uniform Allowance	7,879	7,896	8,502
Honoraria	106	106	106
Overtime Pay	826		
Mid-Year Bonus - Civilian	26,616	26,301	31,174
Year End Bonus	27,136	26,301	31,174
Cash Gift	6,722	6,580	7,085
Productivity Enhancement Incentive	6,415	6,580	7,085
Step Increment		789	935
Total Other Compensation Common to All	106,972	106,377	120,429
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	34,661	34,767	34,767
Longevity Pay	3,574	4,896	4,896
Lump-sum for filling of Positions - Civilian			15,044
Other Personnel Benefits	1,106,478		
Total Other Compensation for Specific Groups	1,144,713	39,663	54,707
Other Benefits			
Retirement and Life Insurance Premiums	37,187	37,874	44,890
PAG-IBIG Contributions	1,540	1,579	1,700
PhilHealth Contributions	4,129	4,223	4,986
Employees Compensation Insurance Premiums	1,540	1,579	1,700
Retirement Gratuity	12,364		
Loyalty Award - Civilian	315		
Terminal Leave	7,492	8,228	7,619
Total Other Benefits	64,567	53,483	60,895
Military/Uniformed Personnel			
Basic Pay			
Base Pay	38,591,260	39,528,916	39,652,286
Total Basic Pay	38,591,260	39,528,916	39,652,286
Other Compensation Common to All			
Personnel Economic Relief Allowance	2,375,456	2,426,520	2,476,272
Clothing/ Uniform Allowance	990,975	999,443	912,140
Subsistence Allowance	9,248,278	9,364,604	9,478,102
Laundry Allowance	38,497	39,325	40,104
Quarters Allowance	477,369	515,448	501,868
Longevity Pay	7,995,930	8,453,772	8,837,801
Mid-Year Bonus - Military/Uniformed Personnel	3,146,828	3,294,077	3,304,356
Year-end Bonus	3,177,366	3,294,077	3,304,356
Cash Gift	496,970	505,525	515,890
Productivity Enhancement Incentive	496,970	505,525	515,890
Total Other Compensation Common to All	28,444,639	29,398,316	29,886,779
Other Compensation for Specific Groups			
Hazardous Duty Pay	640,993	270,094	1,509,037
Flying Pay	26,041	30,038	30,038
Hazard Duty Pay	641,374	655,161	668,594
Combat Duty Pay	3,005,997	2,981,412	3,043,008
Instructor's Duty Pay	251,637	323,933	323,933
Reservist's Pay	382,241	382,241	382,241
Medal of Valor Award	20,700	20,700	20,700
Hospitalization Expenses	28,980		
Parachutist Pay	281,193	310,901	310,901
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		598,768	
Total Other Compensation for Specific Groups	5,279,156	5,573,248	6,288,452

Other Benefits			
Special Group Term Insurance	7,901	7,280	7,429
PAG-IBIG Contributions	118,773	121,327	123,813
PhilHealth Contributions	499,497	520,789	530,129
Employees Compensation Insurance Premiums	118,773	121,327	123,813
Terminal Leave	3,382,607	1,111,624	1,595,222
Total Other Benefits	<u>4,127,551</u>	<u>1,882,347</u>	<u>2,380,406</u>
TOTAL PERSONNEL SERVICES	<u>78,069,525</u>	<u>76,897,966</u>	<u>78,818,038</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	322,602	331,651	341,601
Training and Scholarship Expenses	374,610	376,438	377,776
Supplies and Materials Expenses	7,323,647	7,140,869	7,812,501
Utility Expenses	565,342	577,315	594,660
Communication Expenses	125,714	129,794	133,685
Awards/Rewards and Prizes	1,557	1,277	1,277
Survey, Research, Exploration and Development Expenses	5,233	5,233	5,233
Demolition/Relocation and Desilting/Dredging Expenses	1,053	1,053	1,053
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	444,000	444,000	444,000
Professional Services	77,953	71,560	76,710
General Services	9,497	7,726	7,726
Repairs and Maintenance	2,484,437	2,466,688	2,596,803
Financial Assistance/Subsidy	790,631	1,651,096	2,492,021
Taxes, Insurance Premiums and Other Fees	712,773	57,099	57,099
Labor and Wages	63,722	63,271	63,271
Other Maintenance and Operating Expenses			
Advertising Expenses	1,550	1,595	1,643
Printing and Publication Expenses	17,876	17,419	17,942
Representation Expenses	460,356	447,513	463,695
Transportation and Delivery Expenses	78,810	76,503	78,797
Rent/Lease Expenses	25,285	22,959	22,959
Membership Dues and Contributions to Organizations	225	225	225
Subscription Expenses	2,554	17,572	19,870
Other Maintenance and Operating Expenses	363,120	29,291	28,844
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>14,252,547</u>	<u>13,938,147</u>	<u>15,639,391</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>92,322,072</u>	<u>90,836,113</u>	<u>94,457,429</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Infrastructure Outlay	97,454	6,198	153,265
Buildings and Other Structures	115,419	378,717	288,702
Machinery and Equipment Outlay	1,078,075	655,752	869,623
Transportation Equipment Outlay	433,676	669,100	1,099,900
Furniture, Fixtures and Books Outlay			992
TOTAL CAPITAL OUTLAYS	<u>1,724,624</u>	<u>1,709,767</u>	<u>2,412,482</u>
GRAND TOTAL	<u>94,046,696</u>	<u>92,545,880</u>	<u>96,869,911</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL
OUTCOME : Level of mission capability of army units in ground operations attained

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	2019 GAA Targets	Actual
Level of mission capability of army units in ground operations attained		
LAND FORCES DEFENSE PROGRAM		
Outcome Indicators		
1. Percentage of Tactical Units provided to force employers that are in prescribed readiness condition	57%	79%
2. Percentage of Ready Reserve Units in prescribed readiness condition	40%	55%
Output Indicators		
1. Number of tactical and ready reserve units maintained		
a. Tactical Battalions	204	206
b. Ready Reserve Battalions	83	82
2. Percentage of operational readiness of tactical and ready reserve units		
a. Tactical Battalions	81%	83%
b. Ready Reserve Battalions	65%	65%
3. Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	90%	92%

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2020 Targets	2021 NEP Targets
Level of mission capability of army units in ground operations attained			
LAND FORCES DEFENSE PROGRAM			
Outcome Indicators			
1. Percentage of Tactical Units provided to force employers that are in prescribed readiness condition	57%	57%	79%
2. Percentage of Ready Reserve Units in prescribed readiness condition	40%	40%	60%
Output Indicators			
1. Number of tactical and ready reserve units maintained			
a. Tactical Battalions	204	219	240
b. Ready Reserve Battalions	83	84	86
2. Percentage of operational readiness of tactical and ready reserve units			
a. Tactical Battalions	81%	81%	83%
b. Ready Reserve Battalions	65%	65%	68%
3. Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	90%	90%	90%