

I. PHILIPPINE NAVY ( NAVAL FORCES )

Appropriations/Obligations

(In Thousand Pesos)

	( Cash-Based )		
<u>Description</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
New General Appropriations	27,842,155	29,053,943	31,152,115
General Fund	27,842,155	29,053,943	31,152,115
Automatic Appropriations	90,001	29,010	30,598
Customs Duties and Taxes, including Tax Expenditures	60,761		
Retirement and Life Insurance Premiums	29,240	29,010	30,598

Continuing Appropriations	<u>67,073</u>	<u>744,830</u>	
Unreleased Appropriation for Personnel Services			
R.A. No. 11260		167,989	
Unobligated Releases for Capital Outlays			
R.A. No. 11260		24,021	
R.A. No. 10964	12,126		
Unobligated Releases for MOOE			
R.A. No. 11260		189,472	
R.A. No. 10964	54,947		
Unobligated Releases for PS			
R.A. No. 11260		363,348	
Budgetary Adjustment(s)	<u>1,477,052</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	176,393		
Pension and Gratuity Fund	<u>1,300,659</u>		
Total Available Appropriations	29,476,281	29,827,783	31,182,713
Unused Appropriations	<u>( 749,516)</u>	<u>( 744,830)</u>	
Unreleased Appropriation	<u>( 167,989)</u>	<u>( 167,989)</u>	
Unobligated Allotment	<u>( 581,527)</u>	<u>( 576,841)</u>	
TOTAL OBLIGATIONS	<u>28,726,765</u>	<u>29,082,953</u>	<u>31,182,713</u>
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**EXPENDITURE PROGRAM  
(in pesos)**

	(	Cash-Based	)
GAS / STO / OPERATIONS / PROJECTS	<u>2019 Actual</u>	<u>2020 Current</u>	<u>2021 Proposed</u>
General Administration and Support	<u>3,655,836,000</u>	<u>3,596,337,000</u>	<u>3,194,705,000</u>
Regular	<u>3,655,836,000</u>	<u>3,596,337,000</u>	<u>3,194,705,000</u>
PS	3,473,415,000	2,836,179,000	2,394,349,000
MOOE	175,356,000	760,158,000	800,356,000
CO	7,065,000		
Operations	<u>25,070,929,000</u>	<u>25,486,616,000</u>	<u>27,988,008,000</u>
Regular	<u>25,028,454,000</u>	<u>25,462,616,000</u>	<u>27,988,008,000</u>
PS	16,835,362,000	17,136,997,000	17,652,206,000
MOOE	7,001,591,000	6,999,107,000	8,735,095,000
CO	1,191,501,000	1,326,512,000	1,600,707,000
Projects / Purpose	<u>42,475,000</u>	<u>24,000,000</u>	
MOOE	219,000		
CO	42,256,000	24,000,000	
TOTAL AGENCY BUDGET	<u>28,726,765,000</u>	<u>29,082,953,000</u>	<u>31,182,713,000</u>
Regular	<u>28,684,290,000</u>	<u>29,058,953,000</u>	<u>31,182,713,000</u>
PS	20,308,777,000	19,973,176,000	20,046,555,000
MOOE	7,176,947,000	7,759,265,000	9,535,451,000
CO	1,198,566,000	1,326,512,000	1,600,707,000

Projects / Purpose	42,475,000	24,000,000
MOOE	219,000	
CO	42,256,000	24,000,000

STAFFING SUMMARY

	2019	2020	2021
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,419	1,450	1,450
Total Number of Filled Positions	959	959	959
Military			
Total Number of Authorized Positions	25,260	25,260	25,260
Total Number of Filled Positions	24,499	24,366	24,366

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 31,152,115,000  
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PROPOSED 2021 ( Cash-Based )

OPERATIONS BY PROGRAM	PS	MOOE	CO	TOTAL
NAVAL FORCES DEFENSE PROGRAM	17,650,533,000	8,735,095,000	1,600,707,000	27,986,335,000

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

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	20,015,957,000	9,535,451,000	1,600,707,000	31,152,115,000
National Capital Region (NCR)	20,015,957,000	9,535,451,000	1,600,707,000	31,152,115,000
TOTAL AGENCY BUDGET	20,015,957,000	9,535,451,000	1,600,707,000	31,152,115,000

SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy 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 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 One Hundred Thousand Pesos (P100,000) 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 One Million Ninety Two Thousand Pesos (P191,092,000) 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 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 ( Cash-Based ), by Operating Units

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
<b>PROGRAMS</b>					
1000000000000000	General Administration and Support	2,365,424,000	800,356,000		3,165,780,000
100000100001000	General management and supervision	1,593,833,000	800,356,000		2,394,189,000
	National Capital Region (NCR)	1,593,833,000	800,356,000		2,394,189,000
	Philippine Navy	1,593,833,000	800,356,000		2,394,189,000

100000100002000	Administration of Personnel Benefits	<u>771,591,000</u>			<u>771,591,000</u>
	National Capital Region (NCR)	<u>771,591,000</u>			<u>771,591,000</u>
	Philippine Marine Corps	98,407,000			98,407,000
	Philippine Navy	<u>673,184,000</u>			<u>673,184,000</u>
	Sub-total, General Administration and Support	<u>2,365,424,000</u>	<u>800,356,000</u>		<u>3,165,780,000</u>
3000000000000000	Operations	<u>17,650,533,000</u>	<u>8,735,095,000</u>	<u>1,600,707,000</u>	<u>27,986,335,000</u>
3100000000000000	00 : Level of mission capability of navy units in naval operations attained	<u>17,650,533,000</u>	<u>8,735,095,000</u>	<u>1,600,707,000</u>	<u>27,986,335,000</u>
3101000000000000	NAVAL FORCES DEFENSE PROGRAM	<u>17,650,533,000</u>	<u>8,735,095,000</u>	<u>1,600,707,000</u>	<u>27,986,335,000</u>
310100100001000	Force-Level Support Services	<u>4,831,254,000</u>	<u>1,842,943,000</u>	<u>700,553,000</u>	<u>7,374,750,000</u>
	National Capital Region (NCR)	<u>4,831,254,000</u>	<u>1,842,943,000</u>	<u>700,553,000</u>	<u>7,374,750,000</u>
	Philippine Navy	4,831,254,000	1,842,943,000	700,553,000	7,374,750,000
310100100002000	Force Development	<u>11,879,009,000</u>	<u>6,205,594,000</u>	<u>900,154,000</u>	<u>18,984,757,000</u>
	National Capital Region (NCR)	<u>11,879,009,000</u>	<u>6,205,594,000</u>	<u>900,154,000</u>	<u>18,984,757,000</u>
	Philippine Marine Corps	7,247,886,000	1,203,734,000	46,805,000	8,498,425,000
	Philippine Navy	4,631,123,000	5,001,860,000	853,349,000	10,486,332,000
310100100003000	Force Sustainment	<u>940,270,000</u>	<u>686,558,000</u>		<u>1,626,828,000</u>
	National Capital Region (NCR)	<u>940,270,000</u>	<u>686,558,000</u>		<u>1,626,828,000</u>
	Philippine Navy	<u>940,270,000</u>	<u>686,558,000</u>		<u>1,626,828,000</u>
	Sub-total, Operations	<u>17,650,533,000</u>	<u>8,735,095,000</u>	<u>1,600,707,000</u>	<u>27,986,335,000</u>
TOTAL NEW APPROPRIATIONS		P 20,015,957,000	P 9,535,451,000	P 1,600,707,000	P 31,152,115,000
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Obligations, by Object of Expenditures

CYs 2019-2021  
(In Thousand Pesos)

	( Cash-Based )		
	2019	2020	2021
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	254,391	241,752	254,982
Total Permanent Positions	<u>254,391</u>	<u>241,752</u>	<u>254,982</u>

Other Compensation Common to All			
Personnel Economic Relief Allowance	24,258	23,832	23,016
Representation Allowance	220	180	180
Transportation Allowance	100	180	180
Clothing and Uniform Allowance	5,670	5,958	5,754
Mid-Year Bonus - Civilian	19,483	20,146	21,249
Year End Bonus	21,283	20,146	21,249
Cash Gift	5,462	4,965	4,795
Productivity Enhancement Incentive	5,165	4,965	4,795
Step Increment		605	638
Total Other Compensation Common to All	<u>81,641</u>	<u>80,977</u>	<u>81,856</u>
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	3,124	16,225	16,225
Magna Carta for Science & Technology Personnel	310		
Magna Carta for Public Social Workers	11,901		
Longevity Pay	4,079	4,229	4,229
Lump-sum for filling of Positions - Civilian			11,936
Other Personnel Benefits	252,429		
Total Other Compensation for Specific Groups	<u>271,843</u>	<u>20,454</u>	<u>32,390</u>
Other Benefits			
Retirement and Life Insurance Premiums	28,293	29,010	30,598
PAG-IBIG Contributions	1,205	1,191	1,151
PhilHealth Contributions	3,200	3,177	3,343
Employees Compensation Insurance Premiums	1,190	1,191	1,151
Retirement Gratuity	4,698		
Loyalty Award - Civilian		255	255
Terminal Leave	4,857	4,922	5,185
Total Other Benefits	<u>43,443</u>	<u>39,746</u>	<u>41,683</u>
Military/Uniformed Personnel			
Basic Pay			
Base Pay	10,269,329	9,863,693	9,958,148
Total Basic Pay	<u>10,269,329</u>	<u>9,863,693</u>	<u>9,958,148</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	582,935	587,976	584,784
Clothing/ Uniform Allowance	206,627	194,453	194,412
Subsistence Allowance	1,339,976	1,341,320	1,334,038
Laundry Allowance	10,265	9,887	9,737
Quarters Allowance	130,484	127,758	131,458
Longevity Pay	2,075,654	2,360,664	2,300,220
Mid-Year Bonus - Military/Uniformed Personnel	817,583	821,974	829,646
Year-end Bonus	829,224	821,974	829,646
Cash Gift	120,554	122,495	122,410
Productivity Enhancement Incentive	120,108	122,495	122,410
Total Other Compensation Common to All	<u>6,233,410</u>	<u>6,510,996</u>	<u>6,458,761</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	430,842	305,172	546,005
Flying Pay	67,561	147,144	147,144
Overseas Allowance	14,288	15,964	15,964
Sea Duty Pay	354,315	537,793	537,793
Hazard Duty Pay	157,531	158,754	157,892
Hardship Allowance	12,193	294,101	294,101
Combat Duty Pay	391,777	346,680	346,680
Instructor's Duty Pay	88,404	101,511	101,511
Reservist's Pay	33,570	39,677	39,677
Medal of Valor Award	6,300	6,300	6,300
Specialist's Pay	9	305	305
Parachutist Pay	28,007	36,391	36,391
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		568,193	469,216
Total Other Compensation for Specific Groups	<u>1,584,797</u>	<u>2,557,985</u>	<u>2,698,979</u>

Other Benefits			
Special Group Term Insurance	1,723	1,764	1,754
PAG-IBIG Contributions	28,063	29,399	29,240
PhilHealth Contributions	126,245	135,629	174,268
Employees Compensation Insurance Premiums	25,301	29,399	29,240
Retirement Gratuity	5,781		
Terminal Leave	1,382,810	461,382	285,254
Total Other Benefits	<u>1,569,923</u>	<u>657,573</u>	<u>519,756</u>
TOTAL PERSONNEL SERVICES	<u>20,308,777</u>	<u>19,973,176</u>	<u>20,046,555</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	173,676	203,087	187,064
Training and Scholarship Expenses	183,072	167,684	187,790
Supplies and Materials Expenses	3,360,627	3,354,361	4,318,742
Utility Expenses	436,851	503,037	503,687
Communication Expenses	156,792	153,636	162,242
Demolition/Relocation and Desilting/Dredging Expenses	6,321		
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	39,749	39,749	39,749
Professional Services	29,942	29,591	29,591
General Services	53,194	19,097	19,097
Repairs and Maintenance	2,041,910	2,508,833	3,314,743
Financial Assistance/Subsidy	181,890	191,092	191,092
Taxes, Insurance Premiums and Other Fees	91,376	55,745	55,777
Other Maintenance and Operating Expenses			
Printing and Publication Expenses	11,334	17,089	17,089
Representation Expenses	320,235	238,290	244,770
Transportation and Delivery Expenses	18,617	5,455	5,455
Rent/Lease Expenses	10,323	20,141	25,780
Subscription Expenses	694	5,708	7,408
Donations	80		
Other Maintenance and Operating Expenses	60,483	246,670	225,375
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>7,177,166</u>	<u>7,759,265</u>	<u>9,535,451</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>27,485,943</u>	<u>27,732,441</u>	<u>29,582,006</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Infrastructure Outlay	19,248		
Buildings and Other Structures	77,281	131,950	
Machinery and Equipment Outlay	362,944	286,241	178,386
Transportation Equipment Outlay	776,089	932,321	1,422,321
Furniture, Fixtures and Books Outlay	4,033		
Other Property Plant and Equipment Outlay	1,041		
Intangible Assets Outlay	186		
TOTAL CAPITAL OUTLAYS	<u>1,240,822</u>	<u>1,350,512</u>	<u>1,600,707</u>
GRAND TOTAL	<u>28,726,765</u>	<u>29,082,953</u>	<u>31,182,713</u>

#### STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL  
OUTCOME : Level of mission capability of navy units in naval operations attained

**PERFORMANCE INFORMATION**

<u>ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)</u>	<u>2019 GAA Targets</u>	<u>Actual</u>
Level of mission capability of navy units in naval operations attained		
NAVAL FORCES DEFENSE PROGRAM		
Outcome Indicator		
1. Percentage of Naval units provided to unified commands	100%	112%
Output Indicators		
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	117	144
2. Number of PN units prepared for deployment	40	38
3. Number of Force-Level Support Services Units sustained	134	134

**PERFORMANCE INFORMATION**

<u>ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2020 Targets</u>	<u>2021 NEP Targets</u>
Level of mission capability of navy units in naval operations attained			
NAVAL FORCES DEFENSE PROGRAM			
Outcome Indicator			
1. Percentage of Naval units provided to unified commands	100%	100%	100%
Output Indicators			
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	109	134	109
2. Number of PN units prepared for deployment	34	51	34
3. Number of Force-Level Support Services Units sustained	137	137	137