

I. PHILIPPINE NAVY (NAVAL FORCES)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
New General Appropriations	<u>34,939,904</u>	<u>41,388,723</u>	<u>49,046,516</u>
General Fund	34,939,904	41,388,723	49,046,516
Automatic Appropriations	<u>706,268</u>	<u>40,120</u>	<u>42,132</u>
Customs Duties and Taxes, including Tax Expenditures	657,522		
Retirement and Life Insurance Premiums	48,746	40,120	42,132
Continuing Appropriations	<u>1,069,019</u>	<u>1,205,629</u>	
Unreleased Appropriation for Capital Outlays			
R.A. No. 11639	1,000		
Unobligated Releases for Capital Outlays			
R.A. No. 11639	146,839		
R.A. No. 11936		375,624	
Unobligated Releases for MOOE			
R.A. No. 11639	921,180		
R.A. No. 11936		830,005	

Budgetary Adjustment(s)	<u>1,161,136</u>		
Release(s) from:			
Pension and Gratuity Fund	<u>1,161,136</u>		
Total Available Appropriations	37,876,327	42,634,472	49,088,648
Unused Appropriations	<u>(1,406,482)</u>	<u>(1,205,629)</u>	
Unreleased Appropriation	<u>(71,205)</u>		
Unobligated Allotment	<u>(1,335,277)</u>	<u>(1,205,629)</u>	
TOTAL OBLIGATIONS	<u>36,469,845</u>	<u>41,428,843</u>	<u>49,088,648</u>
	=====	=====	=====

EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	(Cash-Based)
	2023 Actual	2024 Current	2025 Proposed
	<u> </u>	<u> </u>	<u> </u>
General Administration and Support	<u>4,885,237,000</u>	<u>3,948,803,000</u>	<u>4,651,900,000</u>
Regular	<u>4,885,237,000</u>	<u>3,948,803,000</u>	<u>4,651,900,000</u>
PS	4,050,289,000	3,296,234,000	4,111,969,000
MOOE	719,521,000	526,119,000	539,931,000
CO	115,427,000	126,450,000	
Operations	<u>31,584,608,000</u>	<u>37,480,040,000</u>	<u>44,436,748,000</u>
Regular	<u>31,584,608,000</u>	<u>37,480,040,000</u>	<u>44,436,748,000</u>
PS	18,330,134,000	18,252,354,000	19,373,113,000
MOOE	12,315,656,000	13,913,768,000	17,322,465,000
CO	938,818,000	5,313,918,000	7,741,170,000
TOTAL AGENCY BUDGET	<u>36,469,845,000</u>	<u>41,428,843,000</u>	<u>49,088,648,000</u>
Regular	<u>36,469,845,000</u>	<u>41,428,843,000</u>	<u>49,088,648,000</u>
PS	22,380,423,000	21,548,588,000	23,485,082,000
MOOE	13,035,177,000	14,439,887,000	17,862,396,000
CO	1,054,245,000	5,440,368,000	7,741,170,000

STAFFING SUMMARY

	<u>2023</u>	<u>2024</u>	<u>2025</u>
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,400	1,400	1,400
Total Number of Filled Positions	1,092	1,143	1,143
Military			
Total Number of Authorized Positions	26,571	27,930	27,930
Total Number of Filled Positions	26,565	27,270	27,270

Proposed New Appropriations Language
 For general administration and support, and operations, as indicated hereunder.....P 49,046,516,000
 =====

OPERATIONS BY PROGRAM	PROPOSED 2025 (Cash-Based)			
	PS	MOOE	CO	TOTAL
NAVAL FORCES DEFENSE PROGRAM	19,369,261,000	17,322,465,000	7,741,170,000	44,432,896,000

REGION	EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2025 (Cash-Based) (in pesos)			
	PS	MOOE	CO	TOTAL
Regional Allocation	23,442,950,000	17,862,396,000	7,741,170,000	49,046,516,000
National Capital Region (NCR)	23,442,950,000	17,862,396,000	7,741,170,000	49,046,516,000
TOTAL AGENCY BUDGET	23,442,950,000	17,862,396,000	7,741,170,000	49,046,516,000

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, 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 Twelve Million Seven Hundred Six Thousand Pesos (P212,706,000) 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; 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>
A.REGULAR PROGRAMS					
1000000000000000	General Administration and Support	4,073,689,000	539,931,000		4,613,620,000
100000100001000	General management and supervision	2,418,561,000	539,931,000		2,958,492,000
	National Capital Region (NCR)	2,418,561,000	539,931,000		2,958,492,000
	Philippine Navy	2,418,561,000	539,931,000		2,958,492,000
100000100002000	Administration of Personnel Benefits	1,655,128,000			1,655,128,000
	National Capital Region (NCR)	1,655,128,000			1,655,128,000
	Philippine Marine Corps	62,421,000			62,421,000
	Philippine Navy	1,592,707,000			1,592,707,000
Sub-total, General Administration and Support		4,073,689,000	539,931,000		4,613,620,000

666 EXPENDITURE PROGRAM FY 2025 VOLUME II

30000000000000000000	Operations	<u>19,369,261,000</u>	<u>17,322,465,000</u>	<u>7,741,170,000</u>	<u>44,432,896,000</u>
31010000000000000000	NAVAL FORCES DEFENSE PROGRAM	<u>19,369,261,000</u>	<u>17,322,465,000</u>	<u>7,741,170,000</u>	<u>44,432,896,000</u>
3101001000010000	Force-Level Support Services	<u>7,135,287,000</u>	<u>5,336,434,000</u>	<u>3,738,853,000</u>	<u>16,210,574,000</u>
	National Capital Region (NCR)	<u>7,135,287,000</u>	<u>5,336,434,000</u>	<u>3,738,853,000</u>	<u>16,210,574,000</u>
	Philippine Navy	<u>7,135,287,000</u>	<u>5,336,434,000</u>	<u>3,738,853,000</u>	<u>16,210,574,000</u>
3101001000020000	Force Development	<u>11,499,017,000</u>	<u>10,094,135,000</u>	<u>3,842,445,000</u>	<u>25,435,597,000</u>
	National Capital Region (NCR)	<u>11,499,017,000</u>	<u>10,094,135,000</u>	<u>3,842,445,000</u>	<u>25,435,597,000</u>
	Philippine Marine Corps	<u>7,505,713,000</u>	<u>2,083,110,000</u>	<u>2,290,129,000</u>	<u>11,878,952,000</u>
	Philippine Navy	<u>3,993,304,000</u>	<u>8,011,025,000</u>	<u>1,552,316,000</u>	<u>13,556,645,000</u>
3101001000030000	Force Sustainment	<u>734,957,000</u>	<u>1,891,896,000</u>	<u>159,872,000</u>	<u>2,786,725,000</u>
	National Capital Region (NCR)	<u>734,957,000</u>	<u>1,891,896,000</u>	<u>159,872,000</u>	<u>2,786,725,000</u>
	Philippine Navy	<u>734,957,000</u>	<u>1,891,896,000</u>	<u>159,872,000</u>	<u>2,786,725,000</u>
	Sub-total, Operations	<u>19,369,261,000</u>	<u>17,322,465,000</u>	<u>7,741,170,000</u>	<u>44,432,896,000</u>
	TOTAL NEW APPROPRIATIONS	P 23,442,950,000	P 17,862,396,000	P 7,741,170,000	P 49,046,516,000
		=====	=====	=====	=====

Obligations, by Object of Expenditures

CYs 2023-2025
(In Thousand Pesos)

	(Cash-Based)		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	335,071	334,331	351,097
Total Permanent Positions	<u>335,071</u>	<u>334,331</u>	<u>351,097</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	26,100	26,520	27,432
Representation Allowance	240	180	288
Transportation Allowance	60	180	288
Clothing and Uniform Allowance	6,174	6,630	8,001
Mid-Year Bonus - Civilian	26,979	27,861	29,258
Year End Bonus	27,500	27,861	29,258
Cash Gift	5,433	5,525	5,715
Productivity Enhancement Incentive	5,332	5,525	5,715
Performance Based Bonus	11,526		
Step Increment		836	878
Total Other Compensation Common to All	<u>109,344</u>	<u>101,118</u>	<u>106,833</u>
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	20,792	18,263	18,263
Longevity Pay	4,184	4,229	4,229

Lump-sum for filling of Positions - Civilian		9,829	9,829
Other Personnel Benefits	589,343		
Anniversary Bonus - Civilian	96		
Total Other Compensation for Specific Groups	<u>614,415</u>	<u>32,321</u>	<u>32,321</u>
Other Benefits			
Retirement and Life Insurance Premiums	48,205	40,120	42,132
PAG-IBIG Contributions	1,298	1,326	2,743
PhilHealth Contributions	6,778	7,518	8,778
Employees Compensation Insurance Premiums	1,288	1,326	1,371
Retirement Gratuity	1,394		
Loyalty Award - Civilian	5	255	2,890
Terminal Leave	7,451	4,842	6,584
Total Other Benefits	<u>66,419</u>	<u>55,387</u>	<u>64,498</u>
Military/Uniformed Personnel			
Basic Pay			
Base Pay	10,898,143	10,325,783	10,968,741
Creation of New Positions			718,615
Total Basic Pay	<u>10,898,143</u>	<u>10,325,783</u>	<u>11,687,356</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	624,768	610,680	640,320
Clothing/ Uniform Allowance	382,529	229,434	280,772
Subsistence Allowance	1,430,553	1,396,932	1,502,657
Laundry Allowance	10,130	15,611	15,796
Quarters Allowance	136,747	133,248	141,718
Longevity Pay	2,209,441	2,412,006	2,657,275
Mid-Year Bonus - Military/Uniformed Personnel	862,103	859,817	914,064
Year-end Bonus	894,603	859,817	914,064
Cash Gift	130,321	127,225	133,400
Productivity Enhancement Incentive	130,394	127,225	133,400
Performance Based Bonus	356,808		
Total Other Compensation Common to All	<u>7,168,397</u>	<u>6,771,995</u>	<u>7,333,466</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	467,292	546,005	711,801
Flying Pay	94,848	147,144	157,368
Overseas Allowance	29,397	15,964	15,964
Sea Duty Pay	325,400	568,793	633,725
Hazard Duty Pay	184,873	164,883	176,709
Hardship Allowance	16,602	294,101	302,041
Combat Duty Pay	429,519	362,268	408,708
Instructor's Duty Pay	84,654	101,511	107,299
Reservist's Pay	73,021	39,677	52,287
Medal of Valor Award	6,300	6,300	12,000
Specialist's Pay		305	305
Parachutist Pay	7,973	36,391	38,979
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		1,050,195	714,247
Anniversary Bonus - Military/Uniformed Personnel	26,814		
Total Other Compensation for Specific Groups	<u>1,746,693</u>	<u>3,333,537</u>	<u>3,331,433</u>
Other Benefits			
Special Group Term Insurance	1,867	1,832	1,921
PAG-IBIG Contributions	29,539	30,535	64,033
PhilHealth Contributions	205,959	234,056	274,255
Employees Compensation Insurance Premiums	22,190	30,535	32,016
Retirement Gratuity	4,144		
Terminal Leave	1,178,242	297,158	205,853
Total Other Benefits	<u>1,441,941</u>	<u>594,116</u>	<u>578,078</u>
TOTAL PERSONNEL SERVICES	<u>22,380,423</u>	<u>21,548,588</u>	<u>23,485,082</u>

Maintenance and Other Operating Expenses

Travelling Expenses	200,832	287,059	294,990
Training and Scholarship Expenses	205,041	318,538	411,298
Supplies and Materials Expenses	6,264,769	6,545,260	8,338,366
Utility Expenses	653,142	698,603	923,559
Communication Expenses	263,961	255,424	289,403
Awards/Rewards and Prizes	254	341	2,691
Survey, Research, Exploration and Development Expenses		990	895
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	39,749	39,749	39,749
Professional Services	85,496	90,570	59,853
General Services	262,606	270,511	382,937
Repairs and Maintenance	2,665,732	3,574,614	4,531,724
Financial Assistance/Subsidy	180,864	201,631	229,986
Taxes, Insurance Premiums and Other Fees	741,611	72,182	77,994
Other Maintenance and Operating Expenses			
Advertising Expenses		144	144
Printing and Publication Expenses	11,967	18,773	17,248
Representation Expenses	363,359	340,104	494,048
Transportation and Delivery Expenses	1,412	1,574	1,576
Rent/Lease Expenses	1,033,171	1,164,681	1,033,075
Subscription Expenses	6,911	27,364	139,994
Bank Transaction Fee	20		
Other Maintenance and Operating Expenses	54,280	531,775	592,866
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>13,035,177</u>	<u>14,439,887</u>	<u>17,862,396</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>35,415,600</u>	<u>35,988,475</u>	<u>41,347,478</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Land Improvements Outlay			75,677
Infrastructure Outlay		86,667	688,632
Buildings and Other Structures	8,450	726,478	718,848
Machinery and Equipment Outlay	861,142	2,962,597	5,282,638
Transportation Equipment Outlay	184,653	1,658,206	974,846
Furniture, Fixtures and Books Outlay		6,420	529
TOTAL CAPITAL OUTLAYS	<u>1,054,245</u>	<u>5,440,368</u>	<u>7,741,170</u>
GRAND TOTAL	<u>36,469,845</u>	<u>41,428,843</u>	<u>49,088,648</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

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2023 GAA Targets	Actual
Level of mission capability of navy units in naval operations attained		P 31,584,608,000
NAVAL FORCES DEFENSE PROGRAM		P 31,584,608,000
Outcome Indicator(s)		
1. Percentage of Naval units provided to unified commands	100%	108.72%

Output Indicator(s)		
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	118	136
2. Number of PN units prepared for deployment	35	35
3. Number of Force-Level Support Services Units sustained	137	140

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2024 Targets	2025 NEP Targets
Level of mission capability of navy units in naval operations attained		P 37,480,040,000	P 44,436,748,000
NAVAL FORCES DEFENSE PROGRAM		P 37,480,040,000	P 44,436,748,000
Outcome Indicator(s)			
1. Percentage of Naval units provided to unified commands	100%	100%	100%
Output Indicator(s)			
1. Number of Philippine Navy (PN) units deployed and sustained for utilization/employment	120	120	127
2. Number of PN units prepared for deployment	39	39	43
3. Number of Force-Level Support Services Units sustained	139	139	140