

J. GENERAL HEADQUARTERS, AFP AND AFP-WIDE SERVICE SUPPORT UNITS (AFPMSSUS)

For general administration and support, support to operations, and operations, including locally-funded project(s), as indicated hereunder.....P 26,235,210,000
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New Appropriations, by Program/Projects
=====**Current Operating Expenditures**

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
General Administration and Support	P 647,021,000	P 423,898,000	P	P 15,861,000	P 1,086,780,000
Operations	1,636,949,000	3,413,327,000	19,000	74,135,000	5,124,430,000
MFO 1: MILITARY POLICY ADVISORY SERVICES	270,819,000	409,757,000		10,623,000	691,199,000
MFO 2: JOINT FORCE STRATEGIC PLANNING, LOGISTICS AND RESOURCE MANAGEMENT SERVICES	422,329,000	1,557,169,000	19,000	33,512,000	2,013,029,000
MFO 3: TERTIARY HEALTH CARE SERVICES	345,278,000	1,012,902,000			1,358,180,000
MFO 4: MILITARY EDUCATION SERVICES	434,901,000	189,877,000		12,000,000	636,778,000
MFO 5: PRESIDENTIAL SECURITY AND PROTECTION SERVICES	163,622,000	243,622,000		18,000,000	425,244,000
Total, Programs	2,283,970,000	3,837,225,000	19,000	89,996,000	6,211,210,000
PROJECT(S)					
Locally-Funded Project(s)				20,024,000,000	20,024,000,000
Total, Project(s)				20,024,000,000	20,024,000,000
TOTAL NEW APPROPRIATIONS	P 2,283,970,000	P 3,837,225,000	P 19,000	P 20,113,996,000	26,235,210,000

New Appropriations, by Central/Regional Allocation
=====**Current Operating Expenditures**

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
REGION					
Regional Allocation	P 2,283,970,000	P 3,837,225,000	P 19,000	P 20,113,996,000	P 26,235,210,000

National Capital Region (NCR)	1,853,846,000	3,684,989,000	19,000	20,105,996,000	25,644,850,000
Cordillera Administrative Region (CAR)	430,124,000	152,236,000		8,000,000	590,360,000
TOTAL NEW APPROPRIATIONS	P 2,283,970,000	P 3,837,225,000	P 19,000	P20,113,996,000	P 26,235,210,000

Special Provision(s)

1. **Hospital Income.** In addition to the amounts appropriated herein, all income generated from the operations of the AFP Medical Center shall be deposited in an authorized government depository bank and shall be used to augment the hospital's MOOE and Capital Outlays: PROVIDED, That no amount of said income shall be used for the payment of salaries, allowances and other benefits: PROVIDED, FURTHER, That at least twenty-five percent (25%) of the said income shall be used to purchase and upgrade hospital equipment used directly in the delivery of health services.

The General Headquarters of the AFP 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 AFP Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said financial statement is likewise posted on the official website of the AFP.

Failure to comply with any of the foregoing shall render any disbursement from said income void, and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5, Section 57, Chapter 6, and Section 80, Chapter 7, Book VI of E.O. No. 292 and to appropriate criminal action under existing penal laws.

2. **Fees from Use of Equipment and Facilities.** Fees and charges collected by the General Headquarters of the AFP from the use of its equipment and facilities shall be deposited with the National Treasury as trust receipts and shall be used to augment its operating requirements in accordance with Sections 1 and 2 of E.O. No. 1002.

The General Headquarters of the AFP shall submit, to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on its income and expenditures, and the status of the trust receipts. The AFP Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are posted on the official website of the General Headquarters of the AFP which shall be considered compliance with the said reportorial requirement.

Implementation of this provision shall be subject to the provisions of COA-DBM-DOF Joint Circular No. 1-97 dated January 2, 1997.

3. **Firearms License Fees.** The thirty percent (30%) net proceeds of the firearms license fees deposited with the National Treasury as trust receipts pursuant to DBM-DILG Joint Circular No. 1-92 dated May 8, 1992 and E.O. No. 338, s. 1996, shall be used for the scholarship privileges to surviving children of deceased or permanently incapacitated military personnel in accordance with R.A. No. 6963.

The AFP shall submit, to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on its income and expenditures, and the status of the trust receipts including the list of beneficiaries of the scholarship program. The AFP Chief of Staff and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are posted on the official website of the AFP which shall be considered compliance with the said reportorial requirement.

4. **Funds for the United Nations Peacekeeping Operations.** Funds provided by the United Nations for the peacekeeping operations shall be deposited with the National Treasury as trust receipts and shall be used to cover the allowance, uniform, gear and equipment, weaponry and training ammunition, as well as the pre-deployment expenses, and maintenance of the Peacekeeping Training Center: PROVIDED, That said amounts shall first be used to reimburse any advances made by the National Government to fund the foregoing requirements.

5. **Armed Forces of the Philippines Modernization Program.** The amount of Twenty Billion Pesos (P20,000,000,000) appropriated herein for the Revised AFP Modernization Program administered by the Secretary of National Defense shall be used exclusively to support the funding requirements for the modernization projects under the said Program in accordance with R.A. No. 10349: PROVIDED, That the allotment for the purpose shall only be released upon submission by the DND to DBM of the recommendation by the appropriate bids and awards committee for the award of contracts for the implementation of modernization projects in accordance with the provisions of R.A. No. 9184.

The DND shall submit, to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, quarterly Program Accountability Report. The Secretary of National Defense and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are posted on the official website of the DND which shall be considered compliance with the said reportorial requirement.

6. **Combat Expenses.** An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each company or its equivalent in the General Headquarters of the AFP, may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable as combat expense against the approved budget under MOOE of the General Headquarters of the AFP, 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, and other applicable COA issuances.

7. **Confidential and Intelligence Funds.** Intelligence funds shall be released or disbursed only upon approval of the President of the Philippines, or when specifically identified and authorized as such under this Act: PROVIDED, That the use and release of savings to augment intelligence funds is subject to prior approval of the President of the Philippines, upon joint recommendation by the Secretary of National Defense and the Secretary of Budget and Management.

Confidential funds authorized for the Major Services and the General Headquarters of the AFP under this Act for confidential activities shall be released only upon approval of the Secretary of National Defense.

8. **Realignment of Allotment Classes.** The Chief of Staff of the AFP is authorized to realign objects of expenditures within Personnel Services, MOOE, Financial Expenses or Capital Outlays under the same program, project or activity of the Major Services and the General Headquarters of the AFP: PROVIDED, That any realignment from one allotment class to another shall be subject to prior approval of the President of the Philippines, upon recommendation by the Secretary of Budget and Management: PROVIDED, FURTHER, That realignment of objects of expenditure within Capital Outlays or from said allotment class to another may only be undertaken until the second quarter.

9. **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 Major Services and the General Headquarters of the AFP shall be used exclusively for said purposes. In no case shall any portion of said appropriations be utilized for any other purpose.

The Secretary of National Defense shall implement the appropriate internal control measures and safeguards to inspect deliveries of petroleum, oil and lubricants serviced directly to aircrafts, vessels and motor vehicles utilized for any other purpose.

10. **Use of Appropriations Allotted for Longevity Pay.** Longevity pay shall be charged against the specific appropriations allotted for the purpose under the Major Services and the General Headquarters of the AFP. In determining entitlement to longevity pay, the period of trainee service, ROTC Instructor's Training, probationary training and cadet service in Service Academies and in the Philippine Air Force Flying School not exceeding four (4) years, shall be considered as active military service.

11. **Purchase of Medicines.** The purchase of medicines by the hospitals and clinics of the General Headquarters of the AFP shall strictly comply with the Philippine National Drug Formulary prescribed by the DOH. They may likewise apply such other policies adopted by the DOH on the purchase of medicines, including those authorizing bulk and emergency purchases.

12. **Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations.** Expenses incurred by the Major Services and the General Headquarters of the AFP 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 AFP 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 to pertinent budgeting, accounting and auditing rules and regulations.

13. **The Reservists Affairs Program.** The amounts authorized for the Reservists Affairs Program, which covers the Ready, Standby and Retired Reservists training shall be administered by the General Headquarters of the AFP.

Qualified reservists on regular annual active duty shall compose a minimum of three percent (3%) of the total number of participants undergoing training and education, both local and abroad under the Program. Reservists on regular active duty training shall be entitled to avail of the services of all AFP hospitals.

14. **Administration of the Bilateral Engagements Fund.** The amounts appropriated for the bilateral engagements shall be administered by the General Headquarters of the AFP. Any materiel, supplies, equipment, facilities and other property received by the General Headquarters of the AFP in connection with the activities undertaken under said bilateral engagements shall be recorded or booked-up as government property.

15. **Restriction on Armed Forces of the Philippines Expenditures.** No amount authorized herein shall be used to fund the expenditure requirements of military personnel in excess of the actual troop strength of the General Headquarters of the AFP.

16. **Appropriations for Programs and Specific Activities.** The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities 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>Financial Expenses</u>	<u>Capital Outlays</u>
<u>Total</u>				
PROGRAMS				
General Administration and Support				
General management and supervision	P 647,021,000	P 423,898,000	P 15,861,000	P 1,086,780,000
National Capital Region (NCR)	647,021,000	423,898,000	15,861,000	1,086,780,000
General Headquarters - Proper	647,021,000	423,898,000	15,861,000	1,086,780,000
Sub-total, General Administration and Support	647,021,000	423,898,000	15,861,000	1,086,780,000

Operations

MFO 1: MILITARY POLICY ADVISORY SERVICES	270,819,000	409,757,000		10,623,000	691,199,000
Military policy and plans formulation	270,819,000	409,757,000		10,623,000	691,199,000
National Capital Region (NCR)	270,819,000	409,757,000		10,623,000	691,199,000
General Headquarters - Proper	270,819,000	409,757,000		10,623,000	691,199,000
MFO 2: JOINT FORCE STRATEGIC PLANNING, LOGISTICS AND RESOURCE MANAGEMENT SERVICES	422,329,000	1,557,169,000	19,000	33,512,000	2,013,029,000
Strategic lift and mobility		106,715,000			106,715,000
National Capital Region (NCR)		106,715,000			106,715,000
General Headquarters - Proper		106,715,000			106,715,000
Joint force preparedness (Bilateral Engagements)		47,071,000			47,071,000
National Capital Region (NCR)		47,071,000			47,071,000
General Headquarters - Proper		47,071,000			47,071,000
Ordnance Build-up		4,000,000			4,000,000
National Capital Region (NCR)		4,000,000			4,000,000
General Headquarters - Proper		4,000,000			4,000,000
Planning, Command and Management of Joint Military Operations	422,329,000	1,399,383,000	19,000	33,512,000	1,855,243,000
Military strategic planning	202,055,000	117,541,000	19,000		319,615,000
National Capital Region (NCR)	202,055,000	117,541,000	19,000		319,615,000
General Headquarters - Proper	202,055,000	117,541,000	19,000		319,615,000
Joint operational command and control	219,298,000	365,061,000		15,000,000	599,359,000
National Capital Region (NCR)	219,298,000	365,061,000		15,000,000	599,359,000
General Headquarters - Proper	219,298,000	365,061,000		15,000,000	599,359,000
International humanitarian and peacekeeping operations		8,259,000			8,259,000

National Capital Region (NCR)	8,259,000	8,259,000		
General Headquarters - Proper	8,259,000	8,259,000		
Joint special operation	976,000	908,522,000	18,512,000	928,010,000
National Capital Region (NCR)	976,000	908,522,000	18,512,000	928,010,000
General Headquarters - Proper	976,000	908,522,000	18,512,000	928,010,000
MFO 3: TERTIARY HEALTH CARE SERVICES	345,278,000	1,012,902,000		1,358,180,000
Tertiary Health Care (AFP Medical Center)	345,278,000	1,012,902,000		1,358,180,000
National Capital Region (NCR)	345,278,000	1,012,902,000		1,358,180,000
Armed Forces of the Philippines Medical Center	345,278,000	1,012,902,000		1,358,180,000
MFO 4: MILITARY EDUCATION SERVICES	434,901,000	189,877,000	12,000,000	636,778,000
Pre-Commission Officer Training (Philippine Military Academy)	430,124,000	152,236,000	8,000,000	590,360,000
Cordillera Administrative Region (CAR)	430,124,000	152,236,000	8,000,000	590,360,000
Philippine Military Academy	430,124,000	152,236,000	8,000,000	590,360,000
Joint education and training	2,619,000	27,874,000		30,493,000
National Capital Region (NCR)	2,619,000	27,874,000		30,493,000
General Headquarters - Proper	2,619,000	27,874,000		30,493,000
Reserve force administration and training	2,158,000	9,767,000	4,000,000	15,925,000
National Capital Region (NCR)	2,158,000	9,767,000	4,000,000	15,925,000
General Headquarters - Proper	2,158,000	9,767,000	4,000,000	15,925,000
MFO 5: PRESIDENTIAL SECURITY AND PROTECTION SERVICES	163,622,000	243,622,000	18,000,000	425,244,000
Presidential Security and Protection (Presidential Security Group)	163,622,000	243,622,000	18,000,000	425,244,000
National Capital Region (NCR)	163,622,000	243,622,000	18,000,000	425,244,000
Presidential Security Group	163,622,000	243,622,000	18,000,000	425,244,000

Sub-total, Operations	1,636,949,000	3,413,327,000	19,000	74,135,000	5,124,430,000
Total Programs and Activities	2,283,970,000	3,837,225,000	19,000	89,996,000	6,211,210,000
PROJECT(S)					
Locally-Funded Project(s)					
Building and Other Structures				24,000,000	24,000,000
Multipurpose/Facilities				24,000,000	24,000,000
1. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Northern Luzon Command, Camp Aquino, Tarlac City				4,000,000	4,000,000
2. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Southern Luzon Command, Camp Guillermo Makar, Lucena City				4,000,000	4,000,000
3. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Western Command, Camp Ricarte, Puerto Princesa City, Palawan				4,000,000	4,000,000
4. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Eastern Mindanao Command, Camp Panacan, Davao City				4,000,000	4,000,000
5. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Western Mindanao Command, Camp Navarro, Upper Calarian, Zamboanga City				4,000,000	4,000,000
6. Construction of a Multipurpose Building (Enlisted Personnel Barracks) Central Command, Camp Lapu-lapu, Brgy. Apas, Cebu City				4,000,000	4,000,000
Governance				20,000,000,000	20,000,000,000
Defense				20,000,000,000	20,000,000,000
Revised AFP Modernization Program				20,000,000,000	20,000,000,000
National Capital Region (NCR)				20,000,000,000	20,000,000,000
General Headquarters -Proper				20,000,000,000	20,000,000,000
Sub-total, Locally-Funded Project(s)				20,024,000,000	20,024,000,000
Total Project(s)				20,024,000,000	20,024,000,000
TOTAL NEW APPROPRIATIONS	P 2,283,970,000	P 3,837,225,000	P 19,000	P20,113,996,000	P 26,235,210,000

New Appropriations, by Object of Expenditures**(In Thousand Pesos)****A. Programs/Locally-Funded Project(s)****Current Operating Expenditures****Personnel Services****Civilian Personnel****Permanent Positions**

Basic Salary	355,676
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Total Permanent Positions	355,676
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Other Compensation Common to All

Personnel Economic Relief Allowance	41,928
Representation Allowance	360
Transportation Allowance	360
Clothing and Uniform Allowance	8,735
Productivity Incentive Allowance	3,494
Year End Bonus	29,638
Cash Gift	8,735
Step Increment	882

Total Other Compensation Common to All	94,132
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Other Compensation for Specific Groups

Magna Carta for Public Health Workers	63,578
Hazardous Duty Pay	17,055
Longevity Pay	9,142

Total Other Compensation for Specific Groups	89,775
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Other Benefits

PAG-IBIG Contributions	2,094
PhilHealth Contributions	4,010
Employees Compensation Insurance Premiums	2,084

Total Other Benefits	8,188
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Total Civilian Personnel	547,771
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Military/Uniformed Personnel**Basic Pay**

Base Pay	877,560
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Total Basic Pay	877,560
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Other Compensation Common to All

Personnel Economic Relief Allowance	54,696
Clothing/ Uniform Allowance	5,469

Subsistence Allowance	127,430
Laundry Allowance	1,612
Quarters Allowance	10,893
Productivity Incentive Allowance	4,558
Longevity Pay	129,099
Year-end Bonus	73,133
Cash Gift	11,395
Total Other Compensation Common to All	418,285
Other Compensation for Specific Groups	
Overseas Allowance	202,055
Hazard Duty Pay	6,562
Special Duty Allowance	78,612
Combat Incentive Pay	10,000
Combat Duty Pay	21,167
Incentive Pay	95,677
Instructor's Duty Pay	12,140
Total Other Compensation for Specific Groups	426,213
Other Benefits	
Special Group Term Insurance	199
PAG-IBIG Contributions	2,736
PhilHealth Contributions	8,470
Employees Compensation Insurance Premiums	2,736
Total Other Benefits	14,141
Total Military/Uniformed Personnel	1,736,199
Total Personnel Services	2,283,970
Maintenance and Other Operating Expenses	
Travelling Expenses	223,141
Training and Scholarship Expenses	129,615
Supplies and Materials Expenses	1,714,819
Utility Expenses	534,836
Communication Expenses	105,244
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	32,033
Intelligence Expenses	140,648
Professional Services	55,287
General Services	73,519
Repairs and Maintenance	368,635
Taxes, Insurance Premiums and Other Fees	32,863
Other Maintenance and Operating Expenses	
Advertising Expenses	2,000
Printing and Publication Expenses	10,863
Representation Expenses	346,345
Transportation and Delivery Expenses	8,336
Rent/Lease Expenses	52,839
Membership Dues and Contributions to Organizations	936
Subscription Expenses	5,223
Other Maintenance and Operating Expenses	43

Total Maintenance and Other Operating Expenses	3,837,225
Financial Expenses	
Bank Charges	19
Total Financial Expenses	19
Total Current Operating Expenditures	6,121,214
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	73,323
Machinery and Equipment Outlay	20,028,403
Transportation Equipment Outlay	12,270
Total Capital Outlays	20,113,996
Total Programs/Locally-Funded Project(s)	26,235,210
TOTAL NEW APPROPRIATIONS	26,235,210

GENERAL SUMMARY
DEPARTMENT OF NATIONAL DEFENSECurrent Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. OFFICE OF THE SECRETARY - PROPER	P 93,515,000	P 393,869,000		P 232,500,000	P 719,884,000
B. GOVERNMENT ARSENAL	180,274,000	735,520,000		29,000,000	944,794,000
C. NATIONAL DEFENSE COLLEGE OF THE PHILIPPINES	27,419,000	33,892,000		88,472,000	149,783,000
D. OFFICE OF CIVIL DEFENSE	144,663,000	871,351,000			1,016,014,000
E. PHILIPPINE VETERANS AFFAIRS OFFICE-PROPER	101,260,000	275,278,000			376,538,000
F. VETERANS MEMORIAL MEDICAL CENTER	403,447,000	421,801,000		59,000,000	884,248,000
G.1. PHILIPPINE ARMY (LAND FORCES)	34,569,555,000	6,626,916,000		263,310,000	41,459,781,000
G.2. PHILIPPINE AIR FORCE (AIR FORCES)	7,356,589,000	6,474,709,000		856,515,000	14,687,813,000
G.3. PHILIPPINE NAVY (NAVAL FORCES)	8,354,347,000	4,598,114,000		498,113,000	13,450,574,000
G.4. GENERAL HEADQUARTERS, AFP AND AFP-WIDE SERVICE SUPPORT UNITS (AFPMSSUS)	2,283,970,000	3,837,225,000	19,000	20,113,996,000	26,235,210,000
TOTAL NEW APPROPRIATIONS, DEPARTMENT OF NATIONAL DEFENSE	P53,515,039,000	P24,268,675,000	P 19,000	P22,140,906,000	P 99,924,639,000