

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 said financial statement is likewise posted on the official website of the Philippine Navy.

Failure to submit 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, 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 Philippine Navy 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 Philippine Navy shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished 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 Flag-Officer-In-Command of the Philippine Navy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the Philippine Navy.

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

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 as combat expense against the approved budget under MOOE of the Philippine Navy, 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.

4. Purchase of Medicines. The purchase of medicines by the Philippine Navy hospitals and clinics 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.

5. 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 Philippine Navy.

6. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

To provide the Operational Commanders with the best mix of forces, equipment, and support attainable within fiscal constraints through a systematic, strategy-driven, capability-based processes in order to perform prompt and sustained naval operations.

Major Final Output(MFO) / Performance Indicators

Targets

MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES

Number of mission-ready fleet marine units	122
Percentage of readiness of fleet marine units	70.73%
Number of mission-ready support and sustainment units	55
Percentage of readiness of support and sustainment units	64.17%
Average response time of fleet units that can be mobilized as instructed by higher authorities	24 Hours
Average response time of marine units that can be mobilized as instructed by higher authorities	6 Hours

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

STRATEGIC OBJECTIVES

HANDATE

1. GHQ : GHQ, AFP shall prepare strategic plans and provide for the strategic direction of the AFP, including the direction of operations of unified or specified commands. (Executive Order No. 292).

2. AFPMC: The AFPMC provides comprehensive quality tertiary health care services to AFP personnel, dependents, and authorized civilians through consultation and treatment in all health care fields of specialties; and complete diagnostic, therapeutic, and ancillary services.
3. PMA: The PMA is mandated to instruct, train and develop cadets to possess the character, the broad and basic military skills, and the education essential to the successful pursuit of a progressive military career.
4. PSG: The PSG is tasked to provide security to the President of the Republic of the Philippines. It secures and protects the members of the First Family; visiting heads of States and Governments; the President's residences, offices, and places of presidential engagements and its environs.

VISION

1. GND: A world class AFP, source of national pride by 2028.
2. AFPMC: To sustain quality health care and allied medical services to the members of the AFP and other beneficiaries
3. PMA: To attain the institutional vision to be the premier leadership school of the country
4. PSG: To sustain security services provided to the President of the Republic of the Philippines, official First Family and visiting Heads of States and Governments

MISSION

1. GND: To exercise command, direction of all AFP units to protect and secure the sovereignty of the state and the integrity of the national territory
2. AFPMC: To provide comprehensive quality tertiary health care services to AFP personnel and other beneficiaries
3. PMA: To instruct, train and develop cadets to possess the character, the broad and basic military skills, and the education essential to the successful pursuit of a progressive military career
4. PSG: To protect the President of the Republic of the Philippines and his immediate family; visiting heads of state, government and other dignitaries as the President may direct

KEY RESULT AREAS

Just and lasting peace and the rule of law

SECTOR OUTCOME

Stable national security environment achieved

ORGANIZATIONAL OUTCOME

1. Capability to uphold sovereignty and territorial integrity of the state assured
2. Internal stability promoted and sustained
3. Highest standard of capability and preparedness against disasters and emergencies
4. Security sector reforms implemented

New Appropriations, by Program/Project

		Current Operating Expenditures				
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
PROGRAMS						
100000000	General Administration and Support	P 944,960,000	P 363,006,000	P	9,672,000	P 1,317,638,000
300000000	Operations	1,674,041,000	3,275,855,000	19,000	48,648,000	4,998,563,000
	NFO 1: Military Policy Advisory Services	175,549,000	402,160,000		24,315,000	602,024,000
	NFO 2: Joint Force Strategic Planning, Logistics and resource Management Services	514,779,000	1,581,693,000	19,000	19,791,000	2,116,282,000

MFO 3: Tertiary Health Care Services	348,310,000	870,525,000		1,218,835,000	
MFO 4: Military Education Services	468,874,000	184,314,000	4,542,000	657,730,000	
MFO 5: Presidential Security and Protection Services	166,529,000	237,163,000		403,692,000	
Total, Programs	2,619,001,000	3,638,861,000	19,000	58,320,000	6,316,201,000
PROJECT(s)					
400000000 Locally Funded Project(s)				5,000,000,000	5,000,000,000
Total, Projects				5,000,000,000	5,000,000,000
TOTAL NEW APPROPRIATIONS	P 2,619,001,000	P 3,638,861,000	P 19,000	P 5,058,320,000	P 11,316,201,000

New Appropriations, by Central/Regional Allocation

REGION	Current Operating Expenditures				
	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
Regional Allocation	P 2,619,001,000	P 3,638,861,000	P 19,000	P 5,058,320,000	P 11,316,201,000
National Capital Region (NCR)	2,173,041,000	3,490,418,000	19,000	5,057,820,000	10,721,298,000
Cordillera Administrative Region (CAR)	445,960,000	148,443,000		500,000	594,903,000
TOTAL NEW APPROPRIATIONS	P 2,619,001,000	P 3,638,861,000	P 19,000	P 5,058,320,000	P 11,316,201,000

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 submit 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, and Section 80, Chapter 7, Book VI of E.O. No. 292 and to appropriate criminal action under existing penal laws.

2. Fees and Charges 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, either in printed form or by way of electronic document, to the DBM, copy furnished 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 likewise posted on the official website of the General Headquarters of the AFP.

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

14. 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.

15. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

- a) AFP : AFP Internal Peace and Security Plan "Bayanihan"
- b) AFPMC: To sustain quality health care and allied medical services to the members of the AFP and other beneficiaries
- c) PMA : To attain the institutional vision to be the premier leadership school of the country
- d) PSG : To sustain security services provided to the President of the Republic of the Philippines, official First Family and visiting Heads of States and Governments

Major Final Output(MFO) / Performance Indicators

Targets

MFO 1: MILITARY POLICY ADVISORY SERVICES

Number of military plans and policies formulated and adopted/issued	43
Percentage of adopted/issued military plans and policies rated satisfactory or better by both external and internal clients	90%
Percentage of adopted/issued military plans and policies implemented within fifteen (15) days after official issuance thereof	90%

MFO 2: JOINT FORCE STRATEGIC PLANNING, LOGISTICS AND RESOURCE MANAGEMENT SERVICES

Number of command and control activities undertaken	82,573
Percentage of C2 activities successfully undertaken	90%
Average number of hours spent in a day to fully implement a single C2 activity	24 Hours

MFO 3: TERTIARY HEALTH CARE SERVICES

EMERGENCY ADMISSIONS

Number of people admitted to the emergency room	10,852
Percentage of people admitted to the emergency room that received appropriate medical treatment and care	100%
Percentage of people admitted to the emergency room that received appropriate treatment within one (1) minute call	100%

ACUTE ADMISSIONS

Number of people admitted to the hospital	10,410
Percentage of in-patients who received appropriate medical care and attention	95%
Percentage of in-patients who received proper treatment within fifteen (15) minutes	95%

HOSPITAL SEPARATIONS

Percentage of hospital separations that are due to discharge	85%
Percentage of separated patients who rated the hospital treatment received as satisfactory or better	85%
Percentage of discharged patients who returned within three (3) months with the same or worsened condition	15%

NFO 4: MILITARY EDUCATION SERVICES**PRE-COMMISSION TRAINING AND EDUCATION**

Number of cadets/students trained	934
Percentage of students who rate the course as satisfactory or better	95%

POST-COMMISSION TRAINING

Number of personnel trained	150
Percentage of personnel trained who assumed position of major responsibility	90%
Average number of months spent for post-commission training	9
No. of reservist trainings to be conducted	60

NFO 5: PRESIDENTIAL SECURITY AND PROTECTION SERVICES

Number of personnel in service	1,371
Percentage of personnel with at least two (2) years of specialized security service training	30%
Percentage of personnel capable of mobilization within twenty (20) minutes notification	85%

GENERAL SUMMARY
DEPARTMENT OF NATIONAL DEFENSE

	<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>
A. DND Proper (Office of the Secretary)	P 96,080,000	P 388,410,000	P	P 232,500,000	716,990,000
B. Government Arsenal	172,680,000	712,351,000		40,000,000	925,031,000
C. National Defense College of the Philippines	28,362,000	33,242,000			61,604,000
D. Office of Civil Defense	81,443,000	589,160,000			670,603,000
E. Philippine Veterans Affairs Office (PROPER)	99,265,000	272,718,000		23,000,000	394,983,000
F. Veterans Memorial Medical Center	485,475,000	410,220,000		83,400,000	979,095,000
G. Armed Forces of the Philippines - Philippine Army (Land Forces)	34,584,433,000	6,205,998,000		79,169,000	40,869,600,000
H. Armed Forces of the Philippines - Philippine Air Force (Air Forces)	7,437,984,000	4,915,133,000		102,860,000	12,455,977,000
I. Armed Forces of the Philippines - Philippine Navy (Naval Forces)	9,126,908,000	4,440,872,000		307,207,000	13,874,987,000
J. Armed Forces of the Philippines - General Headquarters, AFP and AFP Wide Service Support Units (AFPWSSUS)	2,619,001,000	3,638,861,000	19,000	5,058,320,000	11,316,201,000
Total New Appropriations, Department of National Defense	P54,731,631,000	P21,606,965,000	P 19,000	P 5,926,456,000	P82,265,071,000