

G. ARMED FORCES OF THE PHILIPPINES

G.1. PHILIPPINE ARMY (LAND FORCES)

For general administration and support, and operations, including locally-funded project(s), as indicated hereunder... P 63,998,132,000
=====

New Appropriations, by Program
=====

Current Operating Expenditures

PROGRAMS	Current Operating Expenditures		Financial Expenses	Capital Outlays	Total
	Personnel Services	Maintenance and Other Operating Expenses			
General Administration and Support	P 8,323,552,000	P 1,094,889,000		P	P 9,418,441,000
Operations	43,801,685,000	9,997,604,000		780,402,000	54,579,691,000
LAND FORCES DEFENSE PROGRAM	43,801,685,000	9,997,604,000		780,402,000	54,579,691,000
TOTAL NEW APPROPRIATIONS	P52,125,237,000	P11,092,493,000		P 780,402,000	P 63,998,132,000

Special Provision(s)

1. 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 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.

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, s. 1987, 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 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 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.

The Philippine Army shall submit its quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Army's website for a period of three (3) years. The Commanding General of the Philippine Army shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

3. Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Three Billion Four Hundred Thirteen Million Five Hundred Fifty Three Thousand Pesos (P3,413,553,000) shall be used for the payment of compensation of Citizen Armed Forces Geographical Unit (CAFGU) members and separation benefits, not exceeding one (1) year subsistence allowance in accordance with the IRR of E.O. No. 264, s. 1987 and DWD Circular No. 4 dated October 27, 2005.

The Philippine Army shall submit its annual report indicating the number of existing CAFGU members and the year of their recruitment with electronic signature to the DBM, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, by posting said reports on Philippine Army's website for a period of three (3) years. The Commanding General of the Philippine Army shall send written notice to the said offices when said reports have been posted on its website, which shall be considered the date of submission.

4. 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.

5. 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.

6. Rice Subsidy. The amount herein appropriated for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.

7. 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>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS					
General Administration and Support					
General management and supervision	P 3,575,874,000	P 1,094,889,000			P 4,670,763,000
Administration of Personnel Benefits	4,747,678,000				4,747,678,000
Sub-total, General Administration and Support	8,323,552,000	1,094,889,000			9,418,441,000
Operations					
Level of mission capability of army units in ground operations attained	43,801,685,000	9,997,604,000		780,402,000	54,579,691,000

GENERAL APPROPRIATIONS ACT, FY 2018

LAND FORCES DEFENSE PROGRAM	43,801,685,000	9,997,604,000	780,402,000	54,579,691,000
Force-Level Support Services	2,399,832,000	610,149,000	268,979,000	3,278,960,000
Force Development		1,107,779,000		1,107,779,000
Force Sustainment	41,401,853,000	8,279,676,000	491,423,000	50,172,952,000
Project(s)				
Locally-Funded Project(s)			20,000,000	20,000,000
Construction of MPB (10 door apartment), Philippine Army Headquarters, Fort Andres Bonifacio, Taguig			20,000,000	20,000,000
Sub-total, Operations	43,801,685,000	9,997,604,000	780,402,000	54,579,691,000
TOTAL NEW APPROPRIATIONS	P52,125,237,000	P11,092,493,000	P 780,402,000	P 63,998,132,000

New Appropriations, by Object of Expenditures

=====

(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary

294,063

Total Permanent Positions

294,063

Other Compensation Common to All

Personnel Economic Relief Allowance

30,768

Representation Allowance

300

Transportation Allowance

300

Clothing and Uniform Allowance

6,410

Honoraria

106

Mid-Year Bonus - Civilian

24,505

Year End Bonus

24,505

Cash Gift

6,410

Step Increment

735

Productivity Enhancement Incentive

6,410

Total Other Compensation Common to All

100,449

Other Compensation for Specific Groups

Magna Carta for Public Health Workers

34,101

Longevity Pay

4,896

Total Other Compensation for Specific Groups

38,997

Other Benefits	
PAG-IBIG Contributions	1,538
PhilHealth Contributions	3,430
Employees Compensation Insurance Premiums	1,538
Retirement Gratuity	16,348
Terminal Leave	5,975
	<hr/>
Total Other Benefits	28,829
	<hr/>
Military/Uniformed Personnel	
Basic Pay	
Base Pay	19,027,377
	<hr/>
Total Basic Pay	19,027,377
	<hr/>
Other Compensation Common to All	
Personnel Economic Relief Allowance	2,088,048
Clothing/ Uniform Allowance	798,768
Subsistence Allowance	8,176,914
Laundry Allowance	33,749
Quarters Allowance	443,220
Longevity Pay	4,443,844
Mid-Year Bonus - Military/Uniformed Personnel	1,585,616
Officers' Allowance - Military/Uniformed Personnel	348,960
Provisional Allowance - Military/Uniformed Personnel	3,529,487
Year-end Bonus	1,585,616
Cash Gift	435,010
Productivity Enhancement Incentive	435,010
	<hr/>
Total Other Compensation Common to All	23,904,242
	<hr/>
Other Compensation for Specific Groups	
Hazardous Duty Pay	133,179
Hazard Duty Pay	720,378
Flying Pay	10,410
Combat Duty Pay	2,115,288
Instructor's Duty Pay	145,268
Reservist's Pay	253,306
Medal of Valor Award	19,800
Parachutist Pay	170,475
Lump-sum for filling of Positions- Military/Uniformed Personnel (MUP)	3,644,995
	<hr/>
Total Other Compensation for Specific Groups	7,213,099
	<hr/>
Other Benefits	
Special Group Term Insurance	6,262
PAG-IBIG Contributions	104,403
PhilHealth Contributions	222,753
Employees Compensation Insurance Premiums	104,403
Terminal Leave	1,080,360
	<hr/>
Total Other Benefits	1,518,181
	<hr/>
Total Personnel Services	52,125,237
	<hr/>

Maintenance and Other Operating Expenses	
Travelling Expenses	303,965
Training and Scholarship Expenses	345,881
Supplies and Materials Expenses	5,570,321
Utility Expenses	526,646
Communication Expenses	119,048
Awards/Rewards and Prizes	1,557
Survey, Research, Exploration and Development Expenses	5,233
Demolition/Relocation and Desilting/Dredging Expenses	1,053
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	444,000
Professional Services	49,095
General Services	9,276
Repairs and Maintenance	2,279,831
Financial Assistance/Subsidy	732,264
Taxes, Insurance Premiums and Other Fees	57,185
Labor and Wages	63,271
Other Maintenance and Operating Expenses	
Advertising Expenses	1,504
Printing and Publication Expenses	17,148
Representation Expenses	444,273
Transportation and Delivery Expenses	77,797
Rent/Lease Expenses	25,285
Membership Dues and Contributions to Organizations	185
Subscription Expenses	2,539
Other Maintenance and Operating Expenses	15,136
Total Maintenance and Other Operating Expenses	11,092,493
Total Current Operating Expenditures	63,217,730
Capital Outlays	
Property, Plant and Equipment Outlay	
Buildings and Other Structures	32,275
Machinery and Equipment Outlay	397,059
Transportation Equipment Outlay	351,068
Total Capital Outlays	780,402
TOTAL NEW APPROPRIATIONS	63,998,132

G. ARMED FORCES OF THE PHILIPPINES
 G.1. PHILIPPINE ARMY (LAND FORCES)

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)	BASELINE	2018 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

40%

2. Percentage of Ready Reserve Units in prescribed readiness condition

40%

Output Indicators

1. Number of tactical and ready reserve units maintained

a. Tactical Battalions

190

191

b. Ready Reserve Battalions

82

82

2. Percentage of operational readiness of tactical and ready reserve units

a. Tactical Battalions

79%

82%

b. Ready Reserve Battalions

60%

65%

3. Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities

90%

90%