

G. PHILIPPINE ARMY (LAND FORCES)

STRATEGIC OBJECTIVES

MANDATE

The PA organizes, trains and equips forces for the conduct of prompt and sustained operations on land. (Executive Order No. 292)

VISION

By 2028, a world-class Army that is a source of national pride

MISSION

To develop, organize, train, equip, support, and sustain Army forces for the conduct of prompt and sustained ground operations to accomplish the AFP's mission

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 the 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 achieved
4. Security sector reforms implemented

New Appropriations, by Program/Project

=====

		<u>Current Operating Expenditures</u>			
		<u>Personnel</u>	<u>Maintenance</u>	<u>Capital</u>	<u>Total</u>
		<u>Services</u>	<u>and Other</u>	<u>Outlays</u>	
			<u>Operating</u>		
			<u>Expenses</u>		
PROGRAMS					
100000000	General Administration and Support	P 2,754,929,000	P 431,600,000	P 16,500,000	P 3,203,029,000
200000000	Support to Operations	1,321,290,000	807,842,000		2,129,132,000
300000000	Operations	30,508,214,000	4,964,676,000	36,599,000	35,509,489,000
	NFO 1: Territorial Defense, Security and Stability Services				
		30,508,214,000	4,964,676,000	36,599,000	35,509,489,000
	Total, Programs	34,584,433,000	6,204,118,000	53,099,000	40,841,650,000
PROJECT(S)					
400000000	Locally-Funded Project(s)		1,880,000	26,070,000	27,950,000
	Total, Projects		1,880,000	26,070,000	27,950,000
TOTAL NEW APPROPRIATIONS		P34,584,433,000	P 6,205,998,000	P 79,169,000	P40,869,600,000

New Appropriations, by Central/Regional Allocation

=====

		<u>Current Operating Expenditures</u>			
		<u>Personnel</u>	<u>Maintenance</u>	<u>Capital</u>	<u>Total</u>
		<u>Services</u>	<u>and Other</u>	<u>Outlays</u>	
			<u>Operating</u>		
			<u>Expenses</u>		
REGION					
	Regional Allocation	P34,584,433,000	P 6,205,998,000	P 79,169,000	P40,869,600,000

National Capital Region (NCR)	34,584,433,000	6,205,998,000	79,169,000	40,869,600,000
TOTAL NEW APPROPRIATIONS	P34,584,433,000	P 6,205,998,000	P 79,169,000	P40,869,600,000

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 shall be used to augment the hospital's MOOE and Capital Outlays: PROVIDED, That no amount therefrom shall be used for the payment of salaries and other allowances: 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 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 said financial statement is likewise posted on the official website of the Philippine Army.

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 Army 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, s. 1985.

The Philippine Army 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 Commanding General of the Philippine Army 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 Army.

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

3. **Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units.** The amount of Two Billion Forty Eight Million One Hundred Thirty Two Thousand Pesos (P2,048,132,000) appropriated for the Citizen Armed Forces Geographical Unit (CAFGU) shall be used for the payment of compensation of its members, and separation benefits not exceeding one (1) year subsistence allowance for its members who will be deactivated pursuant to the Implementing Rules and Regulations of E.O. No. 264, s. 1987 and DND Circular No. 4 dated October 27, 2005: PROVIDED, That no new CAFGUs shall be recruited for training and the corresponding costs attendant to the training of existing CAFGUs shall be gradually scaled down in anticipation of its planned demobilization as a result of the implementation of the AFP Modernization Program.

The Philippine Army shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and Senate Committee on Finance, an annual report indicating the number of existing CAFGU members, the year of their recruitment, and the selection criteria for enlistment in the CAFGU. The Commanding General of the Philippine Army and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said report is likewise posted on the official website of the Philippine Army.

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

5. **Purchase of Medicines.** The purchase of medicines by the Philippine Army 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.

6. **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 Army.

7. **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

Alignment with the Army Transformation Roadmap (ATR) and the Defense System of Management (DSOM) thru the PA Strategic Management System (SMS)

Major Final Output(NFO) / Performance Indicators**Targets****NFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES**

Number of tactical battalions maintained	176
Percentage of operational readiness of tactical battalions	71%
Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities	90%
Number of ready reserve battalions maintained	81
Percentage of operational readiness of ready reserve battalions	65%